ACCESS SERVICE

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 1 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1

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[1] See footnote (1) on page 41-1.

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[1] See footnote (1) on page 41-1.

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[1] See footnote (1) on page 41-1.

ACCESS SERVICE

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 2 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.

41. [1]

[1] See footnote (1) on page 41-6.

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[1] See footnote (1) on page 41-6.

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[1] See footnote (1) on page 41-6.

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[1] See footnote (1) on page 41-6.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.3 Contract Offering No. 3 – DS3 Pack Offer

41.3.1 General Description

DS3 Pack Offer is an access discount plan that permits qualified DS3 customers located in Pricing Flexibility MSAs to convert existing month to month electrical DS3s in sets of three (3) to a five (5) year term and pay a flat monthly rate with no nonrecurring charges. Eligibility criteria for the offer are listed in Section 41.3.2(C), below. Rates and charges are based on the schedule in Section 41.3.4(A). This contract offering is available in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) as listed in Section 41.3.3(B)(1).

41.3.2 Services Available Under DS3 Pack Offer

(A) DS3 Pack Offer applies to pricing-flexibility-qualified access services contained in the following tariff sections when they meet the eligibility criteria:

- Southwestern Bell MegaLink Custom Service (DS3) – Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 20.

(B) All terms and conditions for the qualified services listed above are governed by the respective tariff sections except as noted herein.

(C) The following eligibility criteria must be met in order to receive the DS3 Pack Offer:

- Customer must currently be paying a month-to-month rate for an eligible service in accordance with the rate regulations as described in Section 20.4.4(A);
- Circuits to be converted must have previously been under a term plan but are now billed under a month-to-month rate;
- Each DS3 circuit must be over 20 miles in length;
- Circuits to be converted cannot be reconfigured.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.3 Contract Offering No. 3 – DS3 Pack Offer (Cont'd)

41.3.3 DS3 Pack Offer Terms and Conditions

(A) Term Period

The contract term is five (5) years. The applicable month-to-month rate applies until billing commences for this offer. Billing commences no more than five (5) days following SWBT's completion of the service order. This offer is not renewable. If at the expiration of the Customer's contract term, Customer elects to continue service, Customer shall select from the terms of the Optional Payment Plan (as described in Section 20.4) and will be subject to the rates in Section 39.5.2.12. If Customer does not make a selection, the Telephone Company will bill Customer the month-to-month service as described in Section 20.4.4.

(B) Terms and Conditions

(1) This contract offering is for circuits located in the following Metropolitan Statistical Areas:

- Phase 2 Pricing Flexibility MSAs:
  Amarillo, Texas
  Austin/San Marcos, Texas
  Corpus Christi, Texas
  Dallas/Ft. Worth, Texas
  Houston, Texas
  Lubbock, Texas
  San Antonio, Texas

(2) This contract offering is only available August 7, 2002, through September 6, 2002.

(3) If Customer should discontinue this service during the term of this agreement, termination charges will apply in accordance with Section 41.3.5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.3 Contract Offering No. 3 – DS3 Pack Offer (Cont'd)

41.3.3 DS3 Pack Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(4) Customer agrees to order this service in accordance with the regulations set forth in Section 5.

(5) Eligible DS3s converted under this contract offering may not be moved for the duration of the contract term.

(6) Customer must convert existing DS3s in sets of three (3) to a five (5) year term in order to be eligible for this contract offering.

(7) Customer must provide competitive quote from a carrier other than SWBT or one of its affiliates for an equivalent capacity service to qualify for this contract offering.

(8) If Customer elects to disconnect one of the DS3s out of a converted set of three, termination liability will be applicable. The remaining DS3s of the set of three would thereby be ineligible for this contract offer rate and will be billed effective with the date of disconnection at the existing 60 month rate set forth in Section 39.5.2.12 until the expiration of the five (5) year term.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.3 Contract Offering No. 3 - DS3 Pack Offer (Cont'd)

41.3.4 DS3 Pack Offer Rates

The monthly rate per set of three eligible DS3s is $6,799.50. This rate will be in effect for the entire five year term of this contract as long as the Customer and the circuits retain eligibility.

41.3.5 Termination Liability

The termination language contained below applies in lieu of termination liability language contained in Section 20.4.6. If a Customer terminates service before the completion of the term for any reason, the Customer agrees to pay to the Telephone Company termination liability charges described below. Customer's termination liability charge for cancellation of service shall be equal to:

50% of all recurring charges for the balance of the Customer's five (5) year term.

The termination liability charge will be calculated as follows:

(Monthly recurring rate)multiplied by (Months remaining in billing) multiplied by (Termination percentage of 50%)

Example: A Customer with a $6,799.50 monthly rate terminates service after two years and has thirty-six months remaining in a five year term plan. The termination liability charge would be calculated as:

$6,799.50 X 36 X 50% = $122,391.00 termination liability charge

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 4 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.

41. [1]

[1] See footnote (1) on page 41-15.

41. [1]

[1] See footnote (1) on page 41-15.

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[1] See footnote (1) on page 41-15.

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[1] See footnote (1) on page 41-15.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term

41.5.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.5.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.5.2Contract Terms

(A) Contract Offering No. 5 is available during the purchase period, which begins October 4, 2002 and ends December 31, 2002.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 5.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 5 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.5.2Contract Terms (Cont’d)

(E) The initial contract term for Contract Offering No. 5 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 5 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 5 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 5 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 5.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 5 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.5.2 (L). The termination charge for Contract Offering No. 5 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user’s premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 5 terminated and the termination charges described in 41.5.2 (J) apply. If a request is made to move AA+ Transport Service to a new location within the end user’s premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.5.3 (B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.5.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 5 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.5.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 5 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 5, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 5.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 5 terminated. If Contract Offering No. 5 is terminated during the initial contract term, the termination charges described in 41.5.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.5.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.5.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.5.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.5 Contract Offering No. 5 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.5.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term

41.6.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.6.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.6.2 Contract Terms

(A) Contract Offering No. 6 is available during the purchase period, which begins October 4, 2002 and ends December 31, 2002.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 6.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 6 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.6.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 6 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 6 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 6 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 6 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 6.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 6 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.6.2 (L). The termination charge for Contract Offering No. 6 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 6 terminated and termination charges described in 41.6.2 (J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.6.3 (B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.6.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 6 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.6.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 6 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 6, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 6.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 6 terminated. If Contract Offering No. 6 is terminated during the initial contract term, the termination charges described in 41.6.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.6.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.6.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.6.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.6 Contract Offering No. 6 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.6.3 Rate Regulations (Cont’d)

(A) Types of Rate and Charges (Cont’d)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$500.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term

41.7.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.2 Contract Terms

(A) Contract Offering No. 7 is available during the purchase period, which begins October 4, 2002 and ends December 31, 2002.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 7.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2 (D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 7 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.2 Contract Terms (Cont'd)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

(E) The initial contract term for Contract Offering No. 7 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 7 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 7 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 7 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 7.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 7 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.7.2 (L). The termination charge for Contract Offering No. 7 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 7 terminated and the termination charges described in 41.7.2 (J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 7 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.7.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 7 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 7, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 7.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.2 Contract Terms (Cont'd)

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 7 terminated. If Contract Offering No. 7 is terminated during the initial contract term, the termination charges described in 41.7.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.7.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.7 Contract Offering No. 7 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.7.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$250.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term

41.8.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.8.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.8.2Contract Terms

(A) Contract Offering No. 8 is available during the purchase period, which begins January 1, 2003 and ends June 30, 2003.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 8.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 8 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.8.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 8 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 8 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 8 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 8 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 8.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 8 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.8.2 (L). The termination charge for Contract Offering No. 8 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 8 terminated and the termination charges described in 41.8.2 (J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.8.3 (B).

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.8.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 8 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.8.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 8 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 8, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 8.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 8 terminated. If Contract Offering No. 8 is terminated during the initial contract term, the termination charges described in 41.8.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.8.2Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.8.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.8.3Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.8 Contract Offering No. 8 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.8.3 Rate Regulations (Cont’d)

(A) Types of Rate and Charges (Cont’d)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term

41.9.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.2 Contract Terms

(A) Contract Offering No. 9 is available during the purchase period, which begins January 1, 2003 and ends June 30, 2003.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 9.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 9 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 9 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 9 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 9 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 9 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 9.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 9 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.9.2 (L). The termination charge for Contract Offering No. 9 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 9 terminated and termination charges described in 41.9.2 (J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.9.3 (B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 9 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.9.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 9 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 9, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 9.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 9 terminated. If Contract Offering No. 9 is terminated during the initial contract term, the termination charges described in 41.9.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.9.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.9.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.9 Contract Offering No. 9 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.9.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term

41.10.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.10.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Houston, TX
- Lubbock, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO-IL
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.10.2 Contract Terms

(A) Contract Offering No. 10 is available during the purchase period, which begins January 1, 2003 and ends June 30, 2003.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 10.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2 (A), the Service Date Change Charge described in 5.3.2 (B) and the Expedited Order Charge described in 5.3.2 (C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2 (D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 10 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.10.2 Contract Terms (Cont'd)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1 (C).

(E) The initial contract term for Contract Offering No. 10 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 10 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 10 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 10 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 10.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 10 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.10.2 (L). The termination charge for Contract Offering No. 10 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.10.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 10 terminated and the termination charges described in 41.10.2 (J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 10 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.10.2 (J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 10 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 10, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 10.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.10.2 Contract Terms (Cont'd)

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 10 terminated. If Contract Offering No. 10 is terminated during the initial contract term, the termination charges described in 41.10.2 (J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.10.1 (B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41. Pricing Flexibility Contract Offering (Cont'd)

41.10 Contract Offering No. 10 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.10.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$250.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 11 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.

41. [1]

[1] See footnote (1) on page 41-62.

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41. [1]

[1] See footnote (1) on page 41-62.

41. [1]

[1] See footnote (1) on page 41-62.

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41. [1]

[1] See footnote (1) on page 41-62.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term

41.12.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.2 Contract Terms

(A) Contract Offering No. 12 is available during the purchase period, which begins July 1, 2003 and ends January 30, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 12.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 12 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.2Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 12 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 12 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 12 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 12 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 12.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 12 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.12.2(L). The termination charge for Contract Offering No. 12 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 12 terminated and the termination charges described in 41.12.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.12.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.2Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 12 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.12.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 12 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 12, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 12.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 12 terminated. If Contract Offering No. 12 is terminated during the initial contract term, the termination charges described in 41.12.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.12.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.12.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.12 Contract Offering No. 12 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.12.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term

41.13.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.2 Contract Terms

(A) Contract Offering No. 13 is available during the purchase period, which begins July 1, 2003 and ends January 30, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 13.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 13 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 13 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 13 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 13 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 13 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 13.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 13 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.13.2(L). The termination charge for Contract Offering No. 13 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 13 terminated and termination charges described in 41.13.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.13.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 13 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.13.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 13 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 13, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 13.

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 13 terminated. If Contract Offering No. 13 is terminated during the initial contract term, the termination charges described in 41.13.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.13.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.13.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.13 Contract Offering No. 13 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.13.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term

41.14.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.14.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.14.2 Contract Terms

(A) Contract Offering No. 14 is available during the purchase period, which begins July 1, 2003 and ends January 30, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 14.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 14 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.14.2 Contract Terms (Cont'd)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

(E) The initial contract term for Contract Offering No. 14 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 14 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 14 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 14 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 14.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 14 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.14.2(L). The termination charge for Contract Offering No. 14 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.14.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 14 terminated and the termination charges described in 41.14.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 14 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.14.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 14 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 14, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 14.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.14.2 Contract Terms (Cont'd)

(M) A minimum of eight DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than eight DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the eight DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 14 terminated. If Contract Offering No. 14 is terminated during the initial contract term, the termination charges described in 41.14.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.14.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.14 Contract Offering No. 14 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.14.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$250.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer

41.15.1 General Description

MVP DS1, DS3 and [1] Service Offer ("Contract Offer No. 15") is an access discount pricing plan for MVP Customers where subscription is required in four of the SBC Companies: Ameritech Operating Companies, Southwestern Bell Telephone Company, Southern New England Telephone Company and Pacific Bell Telephone Company. This Offering provides a 50% discount off recurring tariff rates for DS1, DS3, and [1] Services that meet the Eligibility Criteria as described in Section 41.15.3 and are subject to the Terms and Conditions as described in Section 41.15.4. Customers will continue to receive MVP discounts provided that they meet their MVP contract obligations in Section 38 of F.C.C. No. 73 Tariff.

Customers must commit to a Current Annual Revenue Commitment (CARC), as described in Section 41.15.5. To ensure that the customer will meet the CARC by end of year 2004 and 2005, the Telephone Company will review revenue quarterly. In the event the customer is not meeting their CARC, the customer will be required to remit payments, via the quarterly True-Up process described in Section 41.15.6, otherwise termination liabilities will apply.

This Contract Offer No. 15 will only be available between November 18, 2003 through January 18, 2003.

41.15.2 Services Available Under Contract Offer No. 15

(A) This Contract Offer No. 15 offers discounts on the recurring rates for the Price Flex eligible DS1, DS3 and [1] Access Services (hereafter referred to as Subject Services) contained in the Tariff Sections listed below, and only in the Metropolitan Statistical Areas (hereafter referred to as MSAs) defined in Section 41.15.4(C).

Service	General / Basic Description	Phase 1 MSAs Rates and Charges	Phase 2 MSAs Rates and Charges
DS1 & DS3 Services	7.3.10(A)	7.3.10(F)	39.5.2.7
[1]	[1]	[1]	[1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 15 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.2 Services Available Under Contract Offer No. 15 (Cont'd)

(B) Purchase of the Subject Services listed above pursuant to Contract Offer No. 15 are subject to the specific terms and conditions of Section 41.15.4. Additionally purchase of the services listed above pursuant to Contract Offer No. 15 are also subject to the general terms and conditions of F.C.C. Tariff No. 73 as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, 6- Switched Access Service, 7-Special Access Service and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such general terms and conditions may be modified through the filing of tariff changes at any time during the Term Period, however, such changes will not change the regulations described in Contract Offer No. 15.

Subject Services continue to be governed by the respective terms and conditions of the MVP provisions in Section 38, FCC Tariff No. 73 except as noted herein.

41.15.3 Eligibility Criteria for Contract Offer No. 15

(A) Contract Offer No. 15 is only available to Customers who are currently subscribing to MVP, in the following Telephone Companies:
- Southwestern Bell Telephone Company (SWBT) F.C.C. No. 73 Section 38; and
- Ameritech Operating Companies (AIT) F.C.C. No. 2 Section 19;
- Pacific Bell Telephone Company (PBTC) F.C.C. No. 1 Section 22

(B) Customer must also concurrently subscribe to the identical contract offers of Contract Offer No. 15 pursuant to the following tariffs:
- AIT Tariff F.C.C. No. 2, Section 19, Contract Offer No. 20;
- PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 20; and
- SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 1.

(C) A minimum of 4% of the Customer's Current Annual Revenue Commitment, as described in Section 41.15.5, must come from services previously provided by a carrier other than Southwestern Bell Telephone Company and it's affiliates. This 4% level will be measured at the end of the Term Period, however, the 4% requirement may be demonstrated at any time during the contract period. Customer must adhere to the following Sections (1) and (2).

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont’d)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont’d)

41.15.3 Eligibility Criteria for Contract Offer No. 15 (Cont'd)

(C) (Cont'd)

(1) Customer must provide documentation to demonstrate that the Subject Services have been converted from another carrier to Telephone Company services. Documentation may include but is not limited to: circuit detail records, invoices, and coordinated orders to move the service. The Telephone Company is willing to review other documents that the Customer may deem appropriate to meet this criteria, however only to the extent that it does not result in breach of any non-disclosure agreements which may govern the distribution of such information.

(2) If Customer fails to reach the 4% requirement as measured at the end of the Term Period, the Customer will be deemed to have terminated Contract Offer No. 15 and termination liabilities will apply as set forth in Section 41.15.7.

41.15.4 Terms and Conditions

(A) Term Period

The contract Term Period will commence on the date the Telephone Company receives a completed Letter of Authorization and expires on December 31, 2005 ("Term Period").

This offer is not renewable.

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.4 Terms and Conditions (Cont'd)

(B) Application

Subject Services to which the Customer already subscribes as of the commencement of the Term Period will receive discounts effective upon the commencement of the Term Period.

Subject Services purchased after the commencement of the Term Period will receive the discounts only after the service has been provisioned.

Monthly billing credits will be issued for every month in which the Subject Services are purchased in compliance with the eligibility criteria in Section 41.15.3. The Credits will be applied within 30 days after each billing cycle.

(C) This Contract Offer No. 15 is only available for Subject Services located in the following MSAs:

Pricing-Flexibility MSAs: Austin-San Marcos, Dallas/Ft Worth, Houston and San Antonio, Texas.

(D) Contract Offer No. 15 provides a discount of 50% off the monthly recurring tariff rates listed in Section 41.15.2 (A) for existing and new Subject Services.

Example:

Subject Services Monthly Recurring Charge	= $2000
50% Discount	= $1000

(E) Customer agrees to maintain a Current Annual Revenue Commitment (as described in Section 41.15.5) for the calendar years of 2004 and 2005.

(F) Customer agrees to a quarterly true-up as described in Section 41.15.6 for the calendar years of 2004 and 2005.

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.5 Current Annual Revenue Commitment

Under Contract Offer No. 15, Customer will commit to maintain a Current Annual Revenue Commitment (CARC). The CARC will be established using either the Customer's current MVP MARC or an Annual Revenue Commitment calculated as outlined below in Section 41.15.5(A), whichever is greater. The CARC will be established as soon as the Telephone Company receives the Letter Of Authorization from the customer.

(A) Determining the Annual Revenue Commitment

The Customer's Annual Revenue Commitment is calculated based on the total of the previous three (3) months recurring billing for all MVP qualified access services prior to any MVP discounts (as listed in F.C.C. 73, Section 38.3), multiplied by four (4). The Annual Revenue Commitment is calculated as follows:

Previous Three (3) Months Recurring Billing X 4 = Annual Revenue Commitment

(B) The CARC will not change during the contract Term Period.

(C) If the Customer fails to achieve the CARC on either of the contract anniversary dates (December 31, 2004 or December 31, 2005), and fails to remit the annual projected gap payment, the Customer will be deemed to have terminated its participation in Contract Offer No. 15 and termination liability charges will apply as set forth in Section 41.15.7.

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.6 Quarterly True-Up

To ensure that the customer will meet the CARC by the end of year 2004 and 2005, the Telephone Company will review revenues quarterly. In the event that the Customer has an estimated shortfall, the Customer is required to remit Quarterly Gap Payments as described below. Quarterly is defined as consecutive three (3) month periods commencing January 1, 2004. The process of remitting payments to eliminate the Annual Projected Gap is referred to as the True-Up process.

The Telephone Company will calculate the Customer's Annual Projected Gap (if any)on a quarterly basis. The Annual Projected Gap is the CARC, less any annual projected MVP discounts, less actual annualized revenues. Actual annualized revenue is the Customer's actual billed amount to date, annualized to determine end of year estimated revenues. Actual annualized revenues will include any previous quarterly gap payment that the Customer has made. For this calculation, the actual annualized revenues are calculated after discounts from this Contract Offer No. 15, and any other applicable credits or discounts (i.e., MVP) have been applied.

Example A: Annual Projected Gap calculation at end of 1st quarter

CARC	= $12,000,000
Less projected MVP discounts	= $ 2,000,000
Sub total	= $10,000,000
Less actual quarterly revenue ($1.5M) X 4 (annualized)	= $ 6,000,000
Annual Projected Gap	= $ 4,000,000

(A) If there is a positive Annual Projected Gap as measured above for the quarter, the Customer agrees to make Quarterly True-Up payments. Quarterly True-Up payments will be calculated using the percentages in section 41.15.6 (B) and
will be applied to the Annual Projected Gap to determine the gap payment. See example B in Section 41.15.6.

(B) Quarterly True-up payments will be calculated utilizing the following percentiles:

Quarter	Percent
1st	0%
2nd	25%
3rd	66%
4th	100%

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.6 Quarterly True Up (Cont'd)

(B) (Cont'd)

Example B: Quarterly True-up

1st Quarter
Actual revenue 1st Quarter:

January	= $ 400,000
February	= $ 500,000
March	= $ 600,000
Total	= $1,500,000

CARC	= $12,000,000
Less projected MVP discount	= $ 2,000,000
Sub total	= $10,000,000
Less actual 3 months revenue ($1.5M) x 4 (annualized):	= $ 6,000,000
Annual Projected Gap	= $ 4,000,000

$4,000,000 x 0% = $0.00 Quarterly True-up payment

2nd Quarter
Actual revenue 1st and 2nd Quarter:

January	= $ 400,000
February	= $ 500,000
March	= $ 600,000
April	= $ 600,000
May	= $ 700,000
June	= $ 700,000
Total	= $3,500,000

CARC	= $12,000,000
Less projected MVP discount	= $ 2,000,000
Sub total	= $10,000,000
Less actual 6 months revenue ($3.5M) x 2 (annualized):	= $ 7,000,000
Annual Projected Gap	= $ 3,000,000

$3,000,000 x 25% = $750,000 Quarterly True-up payment

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.6 Quarterly True Up (Cont'd)

(B) (Cont'd)

Example B: Quarterly True-up (Cont'd)

3rd Quarter

Actual revenue 1st, 2nd and 3rd Quarter

January	= $ 400,000
February	= $ 500,000
March	= $ 600,000
April	= $ 600,000
May	= $ 700,000
June	= $ 700,000
July	= $ 500,000
August	= $ 600,000
September	= $ 665,038
Total	= $5,265,038

CARC	= $12,000,000
Less projected MVP discounts	= $ 2,000,000
Sub total	= $10,000,000
Less (9 months actual revenue + 2nd Quarter Gap payment) x 1.33:	
($5,265,038 + $750,000) x 1.33	= $ 8,000,000
Annual projected Gap	= $ 2,000,000

$2,000,000 x 66% = $1,320,000 Quarterly True-up payment

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.6 Quarterly True Up (Cont'd)

(B) (Cont'd)

Example B: Quarterly True-up (Cont'd)

Quarter 4

Actual revenue 1st, 2nd, 3rd and 4th Quarter

January	= $	400,000
February	= $	500,000
March	= $	600,000
April	= $	600,000
May	= $	700,000
June	= $	700,000
July	= $	500,000
August	= $	600,000
September	= $	665,038
October	= $	500,000
November	= $	550,000
December	= $	614,962
Total	= $	6,930,000

CARC	= $12,000,000
Less projected MVP discounts	= $ 2,000,000
Sub total	= $10,000,000
Less (12 months actual revenue + 2nd & 3rd Quarter Gap payment):	
$6,930,000 + $750,000 + $1,320,000	= $ 9,000,000
Annual Projected Gap	= $ 1,000,000

$1,000,000 x 100% = $1,000,000 Quarterly True-up payment

In the example above at the end of the 4th Quarter the Customer's actual revenue plus the Customer's Quarterly Gap payments, plus projected MVP discounts will equal the CARC.

$6,930,000 + $750,000 + $1,320,000 + $1,000,000 + $2,000,000 = $12,000,000

(C) SBC will provide customer a quarterly gap payment bill (if applicable) within 30 days after the end of the quarter.

(D) If at the end of either contract anniversary date (December 31, 2004 or December 31, 2005) the customer has exceeded their CARC (actual revenue + gap payments) and have made Quarterly Gap Payments, SBC will credit the customers account the amount exceeding the CARC, but not greater than the total gap payments the customer has made.

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.15 Contract Offer No. 15 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.15.7 Termination Liability Charges

If the Customer terminates service before the completion of the term for any reason whatsoever the customer agrees to pay the Telephone Company termination liability charges described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification 60 days prior to the desired date of termination to the Telephone Company.

If the Customer fails to meet any of the eligibility criteria in section 41.15.3 or fails to maintain any of the Terms and Conditions in section 41.15.4, the Customer will be deemed to have terminated its participation in Contract Offer No. 15 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 73, Section 2.5.3.

Customers termination liability shall be equal to:

(A) 100% of all Discounts received under this Contract Offer No. 15 during the six (6) months immediately prior to the date of termination, plus;

(B) 25% of the CARC for each year in the remaining portion of the Term Period.

Any previous gap payments paid by the customer will be forfeited.

Example C:

The Customer signs up for Contract Offer No. 15 on November 1, 2003. The Customer terminates its participation in Contract Offer No. 15 effective September 15, 2004. The termination liability charge that would apply is calculated as follows:

Annual CARC = $12M
Monthly CARC = $12M / 12 months = $1M
Number of months remaining in contract = 15.5
Remaining value of CARC = 15.5 x $1M = $15.5M
25 % of remaining value of CARC = .25 x $15.5M = $3.875M
March 2004 - August 2004 discounts = $500K

Total Termination Liability Charge = $3.875M + $500K = $4.375M

[1] See footnote (1) on page 41-88.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term

41.16.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.16.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.16.2 Contract Terms

(A) Contract Offering No. 16 is available during the purchase period, which begins January 31, 2004 and ends July 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 16.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 16 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.16.2 Contract Terms (Cont’d)

(E) The initial contract term for Contract Offering No. 16 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 16 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 16 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 16 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 16.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 16 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.16.2(L). The termination charge for Contract Offering No. 16 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user’s premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 16 terminated and the termination charges described in 41.16.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user’s premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.16.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.16.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 16 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.16.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 16 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 16, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 16.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 16 terminated. If Contract Offering No. 16 is terminated during the initial contract term, the termination charges described in 41.16.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.16.2Contract Terms (Cont’d)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.16.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.16.3Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.16 Contract Offering No. 16 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.16.3Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term

41.17.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.17.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.17.2 Contract Terms

(A) Contract Offering No. 17 is available during the purchase period, which begins January 31, 2004 and ends July 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 17.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 17 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.17.2 Contract Terms (Cont’d)

(E) The initial contract term for Contract Offering No. 17 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 17 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 17 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 17 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 17.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 17 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.17.2(L). The termination charge for Contract Offering No. 17 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user’s premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 17 terminated and termination charges described in 41.17.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user’s premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.17.3(B).

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.17.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 17 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.17.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 17 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 17, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 17.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 17 terminated. If Contract Offering No. 17 is terminated during the initial contract term, the termination charges described in 41.17.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.17.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.17.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.17.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.17 Contract Offering No. 17 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.17.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term

41.18.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.18.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

- Amarillo, TX
- Austin-San Marco, TX
- Corpus Christi, TX
- Dallas-Ft. Worth, TX
- Fort Smith, AR-OK
- Houston, TX
- Lubbock, TX
- Midland, TX
- San Antonio, TX
- Topeka, KS
- Kansas City, MO-KS
- Springfield, MO
- St. Louis, MO
- Little Rock-North Little Rock, AR
- Oklahoma City, OK
- Tulsa, OK

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.18.2 Contract Terms

(A) Contract Offering No. 18 is available during the purchase period, which begins January 31, 2004 and ends July 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 18.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 18 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.18.2 Contract Terms (Cont’d)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

(E) The initial contract term for Contract Offering No. 18 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 18 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 18 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 18 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 18.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 18 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.18.2(L). The termination charge for Contract Offering No. 18 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.18.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 18 terminated and the termination charges described in 41.18.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 18 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.18.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 18 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 18, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 18.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.18.2 Contract Terms (Cont'd)

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 18 terminated. If Contract Offering No. 18 is terminated during the initial contract term, the termination charges described in 41.18.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.18.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.18 Contract Offering No. 18 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.18.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$250.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

(This page filed under Transmittal No. 1)

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41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 19 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.

41. [1]

[1] See footnote (1) on page 41-119.

41. [1]

[1] See footnote (1) on page 41-119.

41. [1]

[1] See footnote (1) on page 41-119.

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41. [1]

[1] See footnote (1) on page 41-119.

41. [1]

[1] See footnote (1) on page 41-119.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer

41.20.1 General Description

DS1, DS3, [1] Service Offer (Contract Offer No. 20) is an access discount pricing plan where subscription is required in three of the SBC Companies: Ameritech Operating Companies, Southwestern Bell Telephone Company, and Pacific Bell Telephone Company. The plan requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) for five (5) years. Contract Offer No. 20 is available to any Customer with at least twenty-five (25) million dollars in cumulative annual revenue for qualified access services in three of the SBC Companies: Ameritech Operating Companies, Southwestern Bell Telephone Company, and Pacific Bell Telephone Company. The qualified access services for the Southwestern Bell Telephone Company (SWBT) is listed in Section 41.20.2(C) following. Customer must meet the eligibility criteria as described in Section 41.20.2 and the terms and conditions as described in Section 41.20.3.

Customer must meet a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year term. In the event the Customer does not meet its MARC as of each anniversary date, the Customer will be required to remit a payment, via the Annual True-Up process described in Section 41.20.6, otherwise termination liability charges will apply.

Contract Offer No. 20 will only be available March 6, 2004 through April 6, 2004.

41.20.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive Contract Offer No. 20 discounts:

(1) Contract Offer No. 20 is only available for circuits located in the following Metropolitan Statistical Areas:

(a) Fort Smith and Little Rock, AR.;
(b) Kansas City and Topeka, KS.;
(c) Kansas City, St. Louis, and Springfield, MO.;
(d) Oklahoma City and Tulsa, OK.;
(e) Amarillo, Austin-San Marcos, Corpus Christi, Dallas/Ft. Worth, Houston, Lubbock, Midland, and San Antonio, TX.

(2) Customer cannot subscribe concurrently with SBC’s MVP offering in Section 38;

(3) Customer must have a minimum of $25 million dollars in cumulative annual recurring revenue for DS1, DS3, [1], and [1] Services in three of the SBC Companies: Ameritech Operating Companies, Southwestern Bell Telephone Company, and Pacific Bell Telephone Company;

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 20 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.2 Eligibility Criteria (Cont'd)

(A) The following eligibility criteria must be met in order to receive Contract Offer No. 20 discounts (Cont'd):

(4) The Customer and its affiliates must maintain an Access Service Ratio, equal to or greater than 95%. The Service Ratio is defined in Section 41.20.3(B)(7) and will be measured on each anniversary of the Contract Offer No. 20 effective date.

(B) Customer must concurrently subscribe to the identical contract offers of Contract Offer No. 20 pursuant to the following tariffs:

(1) PBTC Tariff F.C.C No. 1, Section 33, Contract Offer No. 25.
(2) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 27.

(C) Contract Offer No. 20 applies to pricing-flexibility-qualified access services (hereafter referred to as (Subject Services) contained in the following tariff sections:

(1) DS1/DS3 Service - SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 and Section 7.3.10 (F);
(2) [1] Service – SWBT Tariff F.C.C. No. 73, Section [1] and Section [1];
(3) [1] – SWBT Tariff F.C.C. No. 73, Section [1], [1], [1] and Section [1].

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.3 Terms and Conditions

(A) Term Period

The contract term is five (5) years, (Term Period) commencing on the date the Telephone Company receives a completed Letter of Authorization (LOA) from the Customer. Contract Offer No. 20 is not renewable.

Purchase 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. 73 as set forth in 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. 20.

(B) Terms and Conditions

(1) Subject Services to which the Customer already subscribes as of the commencement of the Term Period will receive discounts effective upon the commencement of the Term Period. The discount will be in the form of Annual Billing Credits applied 45 days after the contract anniversary date.

(2) Subject Services purchased after the commencement of the Term Period will receive the discounts only after the Telephone Company issues a completed service order. The discount will be in the form of Annual Billing Credits applied 45 days after the contract anniversary date.

(3) Annual billing credits will be issued for every year in which the Subject Services that have been either converted or are purchased in compliance with the eligibility criteria in Section 41.20.2.

(4) If the Customer should discontinue service under Contract Offer No. 20 during the Term Period, termination liability charges will apply in accordance with Section 41.20.7.

(5) Customer must maintain a MARC (as described in Section 41.20.4) for each year in the Customer's Term Period.

(6) Customer must pay an annual true-up amount if they fail to meet their MARC commitment as described in Section 41.20.6.

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) As referenced in Section 41.20.2(A)(4), the Customer and its affiliates must maintain an Access Service Ratio of 95% or greater. The ratio, calculated annually is the Annual Access Revenue minus Annual Wholesale Revenue, (the associated rate elements not included in the interstate tariff) divided by the total qualified Annual Access Revenue. To maintain compliance with Contract Offer No. 20, the ratio must be greater than or equal to 95%.

The 95% ratio is calculated as follows:

$$\frac{\text{Annual Access Revenue} - \text{Annual Wholesale Revenue}}{\text{Annual Access Revenue}}$$

(a) Where the Annual Access Revenue is the Customer's and its affiliates' current interstate annual recurring billed revenue associated with the rate elements, as defined in Table A below:

TABLE A:

Service	General/Basic Description
Entrance Facilities	6.5.1 (A)
Direct Transport Services	6.5.1 (B)
Direct Analog	7.3.4
Base Rate, DS1 and DS3 Services	7.3.10 (A)
[1]	[1]
[1]	[1]

(b) Annual Wholesale Revenue is the Customer's and its affiliates' annual recurring billed revenue for associated rate elements as defined in Table B below not included in the interstate or intrastate tariff(s).

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, SONET Service Offer (Cont'd)

41.20.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) (Cont'd)

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	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/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	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 Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7)(c) As new rate elements are introduced and are added to table B in Section 41.20.3(B)(7), all recurring revenues associated with the new associated rate elements will automatically be added to the Customer's Annual Wholesale Revenue as defined in Section 41.20.3(7)preceding, for calculation of the Access Service Ratio.

(d) If the Customer fails to meet the Access Service Ratio in any given year of the term, upon notification from the Telephone Company, the Customer has five (5) business days to notify the Telephone Company in writing that it will meet or exceed the 95% Access ratio within 60 days. Failure to notify in five (5) days and/or failure to rectify in 60 days will cause termination of Contract Offer No. 20 and termination liability charges will apply as set forth in Section 41.20.7.

(8) Customer will not be able to subscribe to any future contract offerings in Section 41 in conjunction with Contract Offer No. 20 that might be offered by the Telephone Company for Subject Services covered under Contract Offer No. 20.

(9) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 20 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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.

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(9) (Cont'd)

(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 "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.

(10) Any disputed billing amounts that have been resolved in favor of the Telephone Company and are due and payable as described in Section 2.4.

If Customer has not remitted payment on undisputed billing for a period of 60 days, the Customer is deemed to have terminated Contract Offer No. 20 and termination liability charges will apply as stated in Section 41.20.7.

41.20.4 Minimum Annual Revenue Commitment (MARC)

Under Contract Offer No. 20, Customer must maintain a MARC. The MARC will be calculated as outlined below in Section 41.20.4 (A). The MARC for the first year will be established as soon as the Telephone Company receives the Letter Of Authorization (LOA) from the Customer.

(A) Determining the Minimum Annual Revenue Commitment

The Customer's MARC for Year 1 is calculated based on the total of the previous three (3) months recurring revenue for all Subject Services in three of the SBC Companies: (Ameritech Operating Companies, Southwestern Bell Telephone Company, and Pacific Bell Telephone Company), multiplied by four (4):

(Prior 3 months recurring revenue) x 4 = YEAR 1 MARC

The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date. The MARC for years 2 through 5 will be calculated as follows:

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Determining the Minimum Annual Revenue Commitment (Cont'd)

Total of the previous three (3) months recurring revenue for all Subject Services, multiplied by four (4), multiplied by 95%. If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will carryover for the new year.

Example for Year 2 MARC Establishment:

Prior 3 months recurring revenue) x 4 x 95%

If the Value calculated is greater than the YEAR 1 MARC, then the newly calculated MARC will be used as the YEAR 2 MARC.

If the Value is less than the YEAR 1 MARC, then the YEAR 1 MARC will be used for YEAR .

(B) Failure to Achieve the MARC

If the Customer fails to achieve the Annual MARC for any year, it must comply with one of the options below:

(1) The Customer pays the difference between the Annual MARC for the current plan year and the actual annual recurring revenue for the Subject Services as set forth in the true-up Section 41.20.6; or

(2) The Customer terminates its Contract Offer No. 20 and pays termination liability charges as set forth in Section 41.20.7, following.

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 - DS1, DS3, [1] Service Offer (Cont'd)

41.20.5 Discounts

Table C below contains the proposed level of discounts for Contract Offer No. 20.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	7%	20%
2	7%	20%
3	7%	20%
4	9%	20%
5	9%	20%

The Customer will receive the MARC Discount on recurring revenues meeting the MARC. The Customer will receive a 20% Discount on Recurring Revenues above the MARC. The discount will be in the form of a credit applied annually 45 days after the contract anniversary date.

Example for Year 1:

Customers MARC = $25M
Customers actual annual recurring revenues for Subject Services = $30M
Customer will receive a 7% discount on $25M and a 20% discount on $5M

(1) The Telephone Company will waive the following Non-Recurring charges, Design and Central Office Connection Charge per Circuit; Section 39.5.2, 7.3 and Customer Connection Charge per termination; Section 39.5.2, 7.3, associated with the purchase of DS1, DS3, OCN Point to Point, and Dedicated Ring Services.

(2) The Telephone Company will credit the Customer any paid early termination liability charges for the disconnection of DS1s throughout the term of this Contract Offer No. 20, provided that the eligibility criteria in Section 41.20.2, and terms and conditions in Section 41.20.3 have been met.

(3) The Telephone Company will credit the Customer any paid early termination liability charges for the disconnection of DS3s throughout the term of this Contract Offer No. 20 as long as the DS3 has been in service for a minimum of one (1) year, provided that the eligibility criteria in Section 41.20.2 and terms and conditions in Section 41.20.3 have been met.

[1] See footnote (1) on page 41-125.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – DS1, DS3, [1] Service Offer (Cont'd)

41.20.6 Annual True-Up

If the Customer fails to achieve the annual MARC commitment as of the anniversary dates, the Customer will be notified by the Telephone Company and will be required to remit an Annual True-Up payment to reach the MARC commitment. The true-up calculation will be performed as follows:

Annual MARC – Actual Annual recurring revenues for Subject Services = Annual True-Up Amount

If the Telephone Company does not receive the Annual True-Up amount within 30 days of its notification, the Customer is deemed to have terminated its Contract Offer No. 20 and termination liability charges will apply as set forth in Section 41.20.7.

[1] See footnote (1) on page 41-125.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – DS1, DS3, [1] Service Offer (Cont'd)

41.20.7 Termination Liability Charges

If the Customer terminates service before the completion of the term for any reason whatsoever, 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. The Customer must provide written notification 60 days prior to the desired date of termination to the Telephone Company.

If the Customer fails to meet any of the eligibility criteria in Section 41.20.2, or fails to meet any of the Terms and Conditions in Section 41.20.3, the Customer will be deemed to have terminated its participation in Contract Offer No. 20 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 73, Section 2.5.

Customer's termination liability charge shall be equal to:

100% of all Discounts under Contract Offer No. 20 for the six (6) months immediately prior to the date of termination; plus the following schedule:

(1) If terminated in Year 1, 10% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the agreement.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the agreement.

(3) If terminated in Year 3, 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the agreement.

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10% of the Year 5 MARC for the remaining portion of Year 5.

[1] See footnote (1) on page 41-125.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.21 Contract Offering No. 21 – Self-Healing Transport Network (STN) and [1] Offer

41.21.1 General Description

Self-Healing Transport Network (STN) and [1] Service Offer combines the two services to permit customers to purchase DSRS Ethernet ports in conjunction with STN Volume Options.
This provides the customer Ethernet services without having to purchase a [1].

The Offer is available in Phase 1 (Fayetteville) and Phase 2 (Fort Smith) Pricing Flexibility Metropolitan Statistical Areas(hereafter referred to as MSAs).

Contract Offer No. 21 is only available April 2,2004 through May 2, 2004.

41.21.2 Service Description

(A) [1] - Southwestern Bell Tariff F.C.C. No. 73, Section [1];

(B) Self-Healing Transport Network (STN) - Southwestern Bell Tariff F.C.C. No. 73, Section 19.

41.21.3 Eligibility Criteria

(A) The following eligibility criteria must be met in order to purchase the Self-Healing Transport Network (STN) and [1] Offer:

(1) Service must be located in the following Pricing Flexibility MSAs: Fayetteville, and Fort Smith, AR;

(2) Service must be for new installation orders only;

(3) Customers must purchase two (2) STN Volume option 12's, as described in section 19.4 with 1 or more [1] as described in section 29.3(A)(7).

[1] Material previously contained in this section has been deleted. DSRS 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. 21 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.21 Contract Offering No. 21 – Self-Healing Transport Network (STN) and [1] (Cont'd)

41.21.4 Terms and Conditions

(A) Term Period

The contract term is five (5) years commencing on the date the billing begins. Billing commences no more than five (5) days following the Telephone Company's completion of the service order. This offer is not renewable.

If at the expiration of Customer's contract term, Customer elects to continue service, the Customer shall select from the STN payment options described in Section 19.4 for Phase 1 MSAs and Section 39.5.2.11 for Phase 2 MSAs; and [1] rates as set forth in Section [1] for Phase 1 MSAs and Section 39.5.2.15 for Phase 2 MSAs.

(B) Terms and Conditions

(1) Contract Offer No. 21 is only available April 2, 2004 through May 2, 2004.

(2) Customer must purchase a [1] in Section [1] or [1] with a Self-Healing Transport Network Volume Option 12 or higher as described in 19.4 or 39.5.2.11.

(3) Customer must submit a Letter of Authorization / Firm Order Commitment (LOA-FOC).

(4) If, after the Telephone Company receives the Letter of Authorization / Firm Order Commitment (LOA-FOC) and prior to commencement of the Term Period, the Customer cancels the LOA-FOC, cancellation charges will apply. Cancellation charges equal the actual costs incurred by the Telephone Company up to the date of cancellation.

(5) If the Customer should discontinue service under Contract Offer No. 21 during the Term Period, termination liability charges will apply in accordance with Section 41.21.6.

[1] See footnote (1) on page 41-136.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.11 Contract Offering No. 21 – Self-Healing Transport Network (STN) and [1] (Cont'd)

41.21.4 (B) Terms and Conditions(Cont'd)

(6) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 21, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include but are not limited to reconfiguration of existing [1], [1], [1], [1] and [1].

(7) Rate stability under this contract term applies only to the rates specific to Self-Healing Transport Network (STN) and [1] Offer. Purchase of the services listed above under Self-Healing Transport Network (STN) and [1] Offer is also subject to certain rates and charges in other sections of this tariff as applicable and as such rates and charges may be modified through the filing of tariff changes at any time during the term of the services.

(8) Customer may not combine any future contract offer in section 41 with Contract Offer No. 21.

(9) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 21 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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.

[1] See footnote (1) on page 41-136.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.21 Contract Offering No. 21 – Self-Healing Transport Network (STN) and [1] (Cont'd)

(B) Terms and Conditions (Cont'd)

(9) (Cont'd)

(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 "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.

(10) Services under Contract Offer No. 21 will not be eligible for discounts under the Managed Value Plan (MVP) offer in Section 38.

41.21.5 Rates and Charges

(A) Rates and charges for Self-healing Transport Network are set forth in Section 19.4 for Phase 1 MSAs and Section 39.5.2.11 for Phase 2 MSAs.

(B) Rates for [1] are set forth in section [1] for Phase 1 MSAs and Section [1] for Phase 2 MSAs.

41.21.6 Termination Liability

If Customer terminates service before the completion of the term for any reason, Customer agrees to pay to the Telephone Company termination liability charges. These charges shall become due as of the effective date of the cancellation or termination and are payable as described in Section 19.3.15 (STN).

[1] See footnote (1) on page 41-136.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

41.22.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 22) is an access discount plan that provides Customers with Incentive Discounts and Portability Incentives (as defined in Section 41.22.4) in accordance with the terms and conditions as set forth in this Section 41.22.

41.22.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 22 applies to qualified access services contained in Southwestern Bell Telephone Company Tariff F.C.C. No. 73 (Qualified Access Services), listed in Table A below:

Table A

Service	General Basic Description	Rates and Charges	
MegaLink Data Services	7.3.9	7.3.9(F)	39.5.2.6
High Capacity Service	7.3.10	7.3.10(F)	39.5.2.7
Self-Healing Transport Network (STN)	19.1	19.4	39.5.2.11
MegaLink Custom Service	20.1	20.5	39.5.2.12
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Broadband Circuit Service (BCS)	35.1	35.3	39.5.2.14
(1)	(1)	(1)	(1)
ReliaNet Service	31.3	31.3.3	39.5.2.13
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

(B) When additional Qualified Access Services are added to the services available under F.C.C. No. 73, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 2 for the purposes of calculating the Incentive Discounts and Portability Incentives included in this Contract Offer No. 22.

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and OCN PTP 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. 22 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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.2 Services Available Under WAMS-VIP Offer (Cont'd)

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 22.

41.22.3 WAMS-VIP Offer Terms and Conditions

The following terms and conditions apply to this Contract Offer No. 22:

(A) Eligibility Criteria

(1) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in F.C.C. No. 73, Section 15 (Operating Territory);

(2) Incentive Discounts earned by the Customer under this Contract Offer No. 22 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the following MSAs where Telephone Company has been granted pricing flexibility:

Fayetteville, Fort Smith and Little Rock, Arkansas; Kansas City, Topeka, and Wichita, Kansas; Kansas City, Springfield and St. Louis, Missouri; Oklahoma City and Tulsa, Oklahoma; Amarillo, Austin/San Marcos, Beaumont, Corpus Christi, Dallas/Fort Worth, El Paso, Houston, Lubbock, Midland and San Antonio, Texas; and

(3) All traffic on the Qualified Access Service(s) must originate or terminate on a wireless carrier's network;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Revenue commitments are based on billed, recurring charges for the Qualified Access Services and specifically exclude any non-recurring charges and Incentive Discounts earned under this Contract Offer No. 22;

(2) Customer must maintain a Baseline Minimum Annual Revenue Commitment of $29,652,000 (Baseline MARC) for Qualified Access Services, which includes a Baseline SONET Minimum Annual Revenue Commitment of $6,935,000 for SONET Services (Baseline SONET MARC);

(3) Contract Offer No. 22 Incentive Discounts and Portability Incentives are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs; except that billed, recurring revenues that are discounted under this Contract Offer No. 22 are not eligible under the Managed Value Plan (MVP) offered in F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 22;

(4) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 22, but in the event of such rate modifications no change will be made to the Baseline MARC or the Baseline SONET MARC;

(5) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of F.C.C. Tariff No. 73 (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. 22;

(6) This Contract Offer No. 22 is available May 29, 2004 through July 29, 2004;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) The Customer must meet the criteria described for Incentive Discounts and Portability Incentives, as provided in Section 41.22.4; and

(8) To subscribe to Contract Offer No. 22, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS shall contain the effective date ("Effective Date") and the Access Customer's Name Abbreviation(s) (ACNA) and must be signed by the Customer and the Telephone Company's representative.

(C) Term Period

The contract term (Term Period) is eighty-four (84) months commencing on the Effective Date. Each twelve (12) month period beginning with the Effective Date shall be a Term Year. At the end of the Term Period, the Incentive Discounts and Portability Incentives provided in this Contract Offer No. 22 shall be discontinued. This offer is not renewable.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts

Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under this Contract Offer No. 22 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC),
Incentive Discount Achievement Credit (IDAC),
Incentive Discount for SONET Services (SONET-ID),
Incentive Discount for WinBack Services (WinBack Incentive), and
Portability Incentive for DS1s and DS3s (Portability Incentive).

(A) Incentive Discount Commitment

In order to qualify for the IDCC, IDAC, SONET-ID and Portability Incentives, Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year one (1) the Customer's IDC will equal the Baseline MARC.

(b) For Term Years two (2) through seven (7) the Customer's IDC will be the greater of:

(i) The Achieved Revenue Amount, as defined in Section 41.22.5, from the previous Term Year;

(ii) The IDC from the previous Term Year; or

(iii) The sum of the Achieved Revenue Amount from the previous Term Year plus the Shortfall IDAC Payment, when the Customer makes a Shortfall IDAC Payment, as defined in Section 41.22.4(C)(1)(e).

(2) Application of Incentive Discount Commitment
If during the Annual True-Up, as defined in Section 41.22.5(A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC, IDAC, SONET-ID and Portability Incentives for the following Term Year, provided the criteria in Section 41.22.4(B),(C),(D) and (F) respectively, are met.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment (Cont'd)

Example: In Term Year one (1), the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $34,000,000 and the IDC is $29,652,000. Since the Achieved Revenue Amount exceeds the IDC, the Telephone Company would apply the IDCC, IDAC, SONET-ID and Portability Incentives in Term Year two (2), based on the Customer's IDC for Term Year two (2) of $34,000,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring Qualified Access Services in accordance with F.C.C. No. 73, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

For each Term Year, the Customer will be eligible for an "Incentive Discount Commitment Credit" (IDCC) according to Table B, as per sub-section (1) below.

Table B

IDC-Level	IDC Range			IDCC
1	$29,652,000	up to	$31,875,999	$ 318,000
2	$31,876,000	up to	$34,099,999	$ 511,000
3	$34,100,000	up to	$35,804,999	$ 716,000
4	$35,805,000	up to	$37,509,999	$ 937,000
5	$37,510,000	up to	$39,384,999	$1,181,000
6	$39,385,000	up to	$41,260,999	$1,444,000
7	$41,261,000	up to	$42,291,999	$1,691,000
8	$42,292,000	up to	$43,323,999	$1,949,000
9	$43,324,000	up to	$44,406,999	$2,220,000
10	$44,407,000	up to	$45,489,999	$2,501,000
11	$45,490,000	up to	$46,626,999	$2,798,000
12	$46,627,000	up to	$47,764,999	$3,105,000
13	$47,765,000	or Greater		$3,510,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 41.22.4(A),as follows:

(i) One-quarter of the IDCC will be applied thirty (30) days in arrears from the end of the first, second and third quarters of the Term Year, based on the IDCC determined under Section 41.22.4(B)(1)(b)and 41.22.4(B)(1)(c) below; and

(ii) One-quarter of the IDCC will be applied sixty (60) days in arrears from the end of the fourth quarter of the Term Year, as per the Annual True-Up described in Section 41.22.5.

(b) The IDCC applied during the first three (3) quarters of Term Year one (1) shall be based upon IDC-Level 1.

(c) The IDCC applied during the first three (3) quarters for Term Years two (2) through seven (7) will be based upon the IDC-Level attained using the IDC established in Section 41.22.4(A).

(C) Incentive Discount Achievement Credit for Qualified Access Service

For each Term Year, the Customer will be eligible for an Incentive Discount Achievement Credit (IDAC) according to Table C, as per sub-section 1 below.

Table C

IDAC-Level	IDAC Range			IDAC
1	$29,652,000	up to	$34,099,999	$4,781,385
2	$34,100,000	up to	$37,509,999	$5,370,719
3	$37,510,000	up to	$41,260,999	$6,010,100
4	$41,261,000	up to	$43,323,999	$6,875,000
5	$43,324,000	up to	$45,489,999	$7,663,000
6	$45,490,000	up to	$47,764,999	$8,512,200
7	$47,765,000	or Greater		$9,075,252

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit

(a) The Telephone Company will apply the IDAC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDAC per Section 41.22.4(A), as follows:

(i) Half of the IDAC will be applied thirty (30) days in arrears from the end of the first quarter of the Term Year, and the remaining half of the IDAC will be applied thirty (30) days in arrears from the end of the second quarter of the Term Year.

(b) The IDAC applied during the first and second quarters of Term Year one (1) shall be based upon IDAC-Level 1.

(c) The IDAC applied during the first and second quarters for Term Years two (2) through seven (7) will be based upon the IDAC-Level attained using the IDC as established in Section 41.22.4(A).

(d) The IDAC corresponding to each IDAC-Level will be credited to the Customer as provided below:

(i) The IDAC corresponding to IDAC-Level 1 will be available to the Customer only once during the Term Period;

(ii) The IDAC corresponding to IDAC-Levels two (2) through seven (7) will each be credited to the Customer only once during the Term Period except when:

1. The Customer skips an IDAC-Level from one Term Year to the next Tem Year; or

2. The Customer skips IDAC-Level 1 at the end of Term Year one (1).

(iii) If the Customer has skipped one (1) or more IDAC-Levels from one (1) Term Year to the next Term Year, the Customer will be eligible to receive the IDAC corresponding to the higher IDAC-Level more than once, provided that the Achieved Revenue Amount in the following Term Year remains within the IDAC Range of the higher IDAC-Level;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit (Cont'd)

(d) (Cont'd)

(iv) The number of times the Customer will be eligible for an IDAC corresponding to a given IDAC-Level shall be equal to the initial application of the IDAC plus the number of skipped IDAC-Levels;

(v) The Customer will not be eligible for the IDAC corresponding to a skipped IDAC-Level;

(vi) If the Customer achieves IDAC-Level 7 in any given Term Year, the IDAC corresponding to IDAC-Level 7 will be credited to Customer in any subsequent Term Year in which the Customer qualifies for IDAC-Level 7.

For example, if at the end of Term Year 1, the Customer's Achieved Revenue Amount equaled $42,000,000, the Customer would be eligible for an IDAC commensurate with IDAC-Level 4, skipping IDAC-Levels 1, 2 and 3.

If at the end of Term Years 2, 3 and 4, the Customer's Achieved Revenue Amount is between $42,000,000 and $43,323,999, the Customer would be eligible for the IDAC corresponding to IDAC-Level 4 for each of those three Term Years. The Customer would not be eligible for the IDAC corresponding to IDAC-Level 4 in Term Years 5, 6 or 7.

(e) If the Customer's Achieved Revenue Amount from one Term Year is not sufficient for the Customer to qualify for an IDAC in the following Term Year, the Customer may make a shortfall payment (Shortfall IDAC Payment). The Shortfall IDAC Payment amount would equal the difference between the Achieved Revenue Amount and the minimum value of the IDAC Range for the next IDAC-Level that is still available to the Customer.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall IDAC Payment amount for the subsequent Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit (Cont'd)

(e) (Cont'd)

(ii) Customer shall make the Shortfall IDAC Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) Upon receipt of the Shortfall IDAC Payment, the Telephone Company will apply the IDAC for the first quarter of the subsequent Term Year per Section 41.22.4(C)(1).

(iv) If the Customer does not make the Shortfall IDAC Payment, no IDAC will be applied for the subsequent Term Year.

(D) Incentive Discount for SONET Services

The Customer is eligible for additional Incentive Discounts for SONET Services, "SONET-Incentive Discounts" (SONET-ID), at the end of each Term Year if the Customer's incremental billed, recurring revenues for SONET Services fall within one of the SONET-ID Levels set forth in Table D below. The SONET-ID Level is the amount of SONET billed, recurring revenues in a Term Year above the Baseline SONET MARC ($6,935,000).

Table D

SONET-ID Level	SONET-ID
$0 - $239,999	0%
$240,000 - $479,999	10%
$480,000 - $719-999	11%
$720,000 - $959,999	12%
$960,000 - $1,199,999	13%
$1,200,000 - $1,439,999	14%
$1,440,000 - $1,679,999	15%
$1,680,000 or above	16%

The Telephone Company will apply the SONET-ID in the form of a credit to the Customer's bill(s) for Qualified Access Services sixty (60) days in arrears from the end of the fourth quarter of the Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) Incentive Discount for SONET Services (Cont'd)

Example:
Customer has ended a given Term Year of Contract Offer No. 22, and the billed, recurring revenue for SONET Service equals $7,900,000. The SONET-ID for the Term Year is 13%, or $125,450.

$7,900,000 - $6,935,000 = $965,000 (incremental SONET-ID revenue)
$965,000 X 13% = $125,450 (SONET-ID)

(E) Incentive Discount for WinBack Services

If the Customer elects to obtain Qualified Access Service(s) located in MSAs where the Telephone Company has been granted pricing flexibility within the Operating Territory, in place of access service(s) that is provided by a carrier other than the Telephone Company or one of its affiliates, the Customer will receive a one-time credit equal to twenty percent (20%) of the first twelve (12) months billed, recurring revenue for that new Qualified Access Service (WinBack Incentive).

This WinBack Incentive credit will be applied in addition to the Incentives described in Sections 41.22.4(B), (C), (D) and (F).

(1) Eligibility Criteria for WinBack Incentive

(a) The Customer must present reasonable and verifiable information, which includes but is not limited to circuit detail or coordinated move orders, to demonstrate the service being converted is currently being provided by a carrier other than the Telephone Company or its affiliates; and

The new Qualified Access Service(s) ordered must have a minimum term period of twelve (12) months for DS1 and DS3 orders and thirty-six (36) months for SONET services.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(E) Incentive Discount for WinBack Services (Cont'd)

(2) Application of WinBack Incentive

(a) The Telephone Company will apply the credit to the Customer's bill(s) for Qualified Access Services that follows the end of the initial twelve (12) month period, thirty (30) days in arrears, as follows:

(i) When the Telephone Company and Customer have identified the start date for the term period of the WinBack Qualified Access Service in a authorization letter, the initial twelve 12-month period will be the twelve (12) month period commencing on that start date; or,

(ii) When the start date for the term period of the WinBack Qualified Access Service is established by the completion of an access service order, the initial twelve (12) month period will be the twelve (12) month period commencing on the day the access service order is completed.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(F) DS1/DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS1 and DS3 Qualified Access Services.

This Portability Incentive is in addition to the Incentives described in Sections 41.22.4(B),(C),(D) and (E).

(1) Eligibility Criteria for DS1/DS3 Portability Incentive

The following criteria must be met in order to receive the Portability Incentive:

(a) Customer's DS1s and DS3s must meet the Minimum Period requirements, as established under F.C.C. No. 73, Section 2.5.4, at the previous location;
(b) The term period of the new circuit must be equal to, or greater than, the remaining term of the disconnected circuit;
(c) The disconnect and new service must be within the Operating Territory; and
(d) Any applicable DS1 Minimum Monthly Revenue Commitment(MMRC) level reductions (disconnect access service order), as established under F.C.C. No. 73 Section 39.4 or Section 7.2, in one MSA, must be offset by an equal MMRC level increase (new access service order) in the new MSA.

(2) Quarterly Review of Disconnect Access Service Orders

If Customer qualified for the Portability Incentive as set forth in Section 41.22.4(A) but cumulative "disconnect" access service orders exceeded "add" access service orders during the Term Year, as measured on a quarterly basis, the Customer will be assessed termination liability charges on the sum difference between the cumulative disconnect and add access service orders.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.5 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish any fourth quarter Incentive credits, adjustments or other payments that apply for the preceding twelve (12) month period, as determined by whether:

(1) Customer maintained its Baseline MARC and Baseline SONET MARC during that Term Year; and

(2) Customer earned the IDCC and IDAC received during the 1st, 2nd and 3rd quarters of the Term Year ("Applied IDCC" and "Applied IDAC", respectively).

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount". The IDCC and/or IDAC earned using the Achieved Revenue Amount compared to Table B and Table C will constitute the "Earned IDCC" and "Earned IDAC".

(B) Annual True-Up Calculations

(1) Baseline MARC Annual True-Up:
The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline MARC.

(a) If Customer's Achieved Revenue Amount falls below the Baseline MARC, the Customer may pay the difference between the Baseline MARC and the Achieved Revenue Amount (Shortfall Payment).

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall Payment.

(ii) Customer may make the Shortfall Payment and return the difference between the Applied IDCC and the Earned IDCC, associated with the Baseline MARC, within thirty (30) days after receiving notification from the Telephone Company.

(iii) The following Term Year's IDC and IDCC will be determined as set forth in Section 41.22.4(A)and (B).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline MARC Annual True-Up: (Cont'd)

Example of Baseline MARC Annual True-Up: If Customer's Achieved Revenue Amount in Term Year 5 is $28,000,000, the Baseline MARC of $29,652,000 has not been met. Customer may choose to pay the difference of $1,652,000 (29,652,000 - 28,000,000) and repay the difference between the Applied IDCC and the Earned IDCC.

(b) If Customer's Achieved Revenue Amount falls below the Baseline MARC for any given Term Year, and the Customer does not make the Shortfall Payment, this Contract Offer Subscription shall terminate and termination liability charges will apply, as described in Section 41.22.8(A).

(2) Baseline SONET MARC Annual True-Up: The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline SONET MARC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, but the Baseline SONET MARC is not maintained, the Earned IDCC will be reduced ("IDCC Reduction"), as explained in subparagraph (i)through (iii) below.

(i) The IDCC Reduction will be calculated by taking the Baseline SONET MARC less the billed, recurring revenues for SONET Services for the Term Year, and multiplying that amount by ninety-five percent (95%) or (.95).

(ii) The Telephone Company will reduce the amount of the Earned IDCC, to be applied in the fourth quarter, by the IDCC Reduction. If the IDCC Reduction exceeds the value of the fourth quarter IDCC, the Telephone Company will reduce the Applied IDCC in the subsequent Term Year by the remaining amount of the IDCC Reduction.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(2) Baseline SONET MARC Annual True-Up: (Cont'd)

(a) (Cont'd)

(iii) The following Term Year's IDCC will be determined as set forth in Section 41.22.4(B).

Example of Baseline SONET MARC Annual True-Up:

If billed, recurring revenue for SONET Service equals $6,500,000 and the Achieved Revenue Amount equals $42,000,000, the IDCC Reduction would equal (($6,935,000 - $6,500,000)*.95)), or $413,250, and the Earned IDCC would be adjusted to $1,277,750 ($1,691,000 - $413,250).

The amount of the fourth quarter IDCC would equal $9,500 ($422,750 - $413,250).

(b) If the Baseline SONET MARC is not maintained by Customer, as a result of SONET rate reductions and/or rate restructures that are directly attributed to actions of the Telephone Company and not attributed to Customer, the IDCC Reduction will be zero (0).

(3) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will determine the Earned IDCC and the fourth quarter credit amount. The fourth quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The Customer would receive its fourth (4th) quarter payment, as set forth in Section 41.22.4(B)(1)(a)(ii).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.5 WAMS-VIP Annual True-Up (Cont'd)

(B) The Annual True-Up Calculation (Cont'd)

(3) IDCC Annual True-Up: (Cont'd)

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment") or Customer will refund the Applied IDCC to Telephone Company, as detailed below.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(ii) Customer shall pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The Telephone Company will apply the appropriate IDCC for the fourth quarter of the Term Year within thirty (30) days of receiving the Make-Up Payment. The fourth quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The following Term Year's IDCC will be determined as set forth in Section 41.22.4(B).

(iv) If the Customer chooses not to make the Make-Up Payment, the customer will repay the Applied IDCC. Repayment is due thirty (30) days after notification from the Telephone Company identified in subparagraph (i) above.

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year 3 is $42,000,000 and the IDC is $40,000,000 the Earned IDCC would be $1,691,000. The IDCC applied for the 4th quarter would be equal to $1,691,000 less the Applied IDCC received by the Customer for the Term Year or $608,000.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.5 WAMS-VIP Annual True-Up (Cont'd)

(B) The Annual True-Up Calculation (Cont'd)

(4) IDAC Annual True-Up:

(a) For Term Year one (1),if the Customer's Achieved Revenue Amount is within the IDAC Range associated with the Applied IDAC, no fourth (4th) quarter credit will be applied by the Telephone Company.

(b) For Term Year one (1), if the Customer's Achieved Revenue Amount exceeds the IDAC Range associated with the Applied IDAC, Telephone Company will issue an additional credit due to Customer equating to the difference between the Earned IDAC and the Applied IDAC. The credit will be applied sixty (60) days in arrears from the end of the fourth quarter of the Term Year.

(c) For Term Years two (2) through seven (7), no Annual True-Up will be performed on the IDAC.

Example of Term Year 1 IDAC Annual True-Up:

If the Achieved Revenue Amount for Term Year one (1) is $37,000,000, the Earned IDAC would be $5,370,719. The IDAC applied for the 4th quarter would be equal to $589,334 ($5,370,719 - $4,781,385).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 22 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in F.C.C. No. 73 Sections 2.2.1(B) and (C) are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c) below, or if the assignee or transferee or its parent, has commenced or had initiated against it a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the securities and exchange commission or;

(b) 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 a rating organization for a possible downgrade or;

(c) 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The terms and conditions of the Contract Offer No. 22 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in subsections (i)-(iii) below (Options), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company within the time period described above stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date". None of the Options shall alter in any way the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including but not limited to any terms or conditions related to termination.

Option (i): The Customer and Telephone Company shall recalculate the Baseline MARC, Baseline SONET MARC, IDC, IDC Ranges, IDCCs, IDACs and IDAC Ranges (Key Numbers) for the period from the Option Exercise Date to the end of the Term Period, to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (i): (Cont'd)

(1) One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of Customer and the other entity must be included in the Contract Offer Subscription;

(2) The Baseline MARC and Baseline SONET MARC will be adjusted according to the following formula:

(a) The Baseline MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date multiplied by four (4) plus 29,652,000. This shall be the "Combined Baseline MARC"; and

(b) The Baseline SONET MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services that are SONET services for the three (3) months immediately preceding the Option Exercise Date multiplied by four (4) plus $6,935,000. This shall be the "Combined Baseline SONET MARC."

(3) The IDC for the remainder of the then-current Term Year will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's actual billed recurring Qualified Access Services revenues for the three months immediately preceding the Option Exercise Date multiplied by four (4) plus the Customer's current IDC. This shall be the "Combined IDC";

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (i): (Cont'd)

(4) The IDC and IDAC Ranges will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC, will be applied to the minimum and maximum values of the IDC and IDAC Ranges associated with the IDC and IDAC-Levels that are still available to the Customer, as defined in Section 41.22.4.

Example:
IDC = $37,900,000
Current IDAC Level = 3
IDAC Range Minimum = $37,510,000
IDAC Range Maximum = $41,260,999

New Entity Revenue = $25,000,000
Combined IDC = $62,900,000 ($37,900,000 plus $25,000,000)
Option 1 Multiplier = 1.66 ($62,900,000/$37,900,000)
Combined IDAC Range Minimum = $62,266,600 ($37,510,000 multiplied by 1.66)
Combined IDAC Range Maximum = $68,493,258 ($41,260,999 multiplied by 1.66)

(5) The IDCCs and IDACs amounts will be adjusted according to the following formula:

The Option 1 Multiplier will be applied to the IDCC and the IDAC associated with the IDCC and IDAC-Levels which remain available to the Customer in order to determine the Combined IDCC and IDAC Ranges.

Example:
IDC = $37,900,000
Current IDAC-Level = 3
IDAC = $6,010,100

New Entity Revenue = $25,000,000
Combined IDC = $62,900,000 ($37,900,000 plus $25,000,000)
Option 1 Multiplier = 1.66 ($62,900,000/$37,900,000)
Combined IDAC = $9,976,766 ($6,010,100 multiplied by 1.66)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (i): (Cont'd)

(6) The Customer must have at least forty-eight (48) months remaining in the Term Period under the Contract Offer Subscription or, if less than forty-eight (48) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the terms and conditions of the Contract Offer No. 22 remain in effect for forty-eight(48) months after the Option Exercise Date; and

(7) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters combined Key Numbers will be used to determine applicable IDCC and IDAC credit amounts.

(a) If the Option Exercise Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of Any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Numbers are determined or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(b) If the Option Exercise Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Number are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii): The Customer and Telephone Company shall endeavor to negotiate new Key Numbers for the period from the Option Exercise Date to the end of the Term Period, to allow for the combination of the billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under this Contract Offer Subscription provided the following conditions are met:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (ii): (Cont'd)

(1) The Customer and Telephone Company shall each identify a team (composed of business and network subject matter experts) which shall negotiate new Key Numbers in good faith;

(2) If these discussions do not result in mutual agreement on new Key Numbers within sixty (60) days of the date of the Option Exercise Date, either Customer or Telephone Company may provide written notice to the other requesting that each party appoint a knowledgeable, responsible representative(s) to meet and negotiate in good faith to agree upon new Key Numbers. The Customer and Telephone Company intend that these negotiations be conducted by non-lawyer, business representatives. The location, form, frequency, duration and conclusion of these discussions shall be left to the discretion of the representatives;

(3) The Customer and Telephone Company shall endeavor to reach agreement upon the new Key Numbers within one hundred twenty (120) days of the Option Exercise Date; and

(4) If the Customer and Telephone Company cannot mutually agree upon new Key Numbers within timelines outlined above, and the Customer does not wish to continue according to the rates terms and conditions of this Contract Offer Subscription, the Customer may terminate the Contract Offer Subscription by giving thirty (30) days written notice to the Telephone Company. Upon such termination, the Telephone Company shall bill the Customer, and the Customer shall pay to the Telephone Company, termination liability charges as described below:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (ii): (Cont'd)

(4)(Cont'd)

(a) For termination that occurs between twelve (12) and twenty-four (24) months after the Effective Date, eighty percent (80%) of all IDCC and IDAC Provided to the Customer pursuant to this Contract Offer No. 22; or

(b) For termination that occurs after the first twenty-four (24) months after the Effective Date, fifty percent (50%) of all IDCC and IDAC provided to the Customer pursuant to this Contract Offer No. 22.

Option (iii): The Contract Offer Subscription shall be terminated as set forth within Section 41.22.8(A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets

If Customer is required by a regulatory agency to divest any markets, market spectrum or customers ("Divested Market"), in connection with a Transfer, the Customer can request that Key Numbers be recalculated by the Telephone Company. The Customer shall send written notice to the Telephone Company within sixty (60) days of completing a market divestiture. The date the Customer sends that written notice shall be the "Divestiture Notice Date". The Telephone Company will recalculate the Key Numbers as described below:

(1) The Baseline MARC, IDC, IDCC Ranges and IDAC Ranges will be reduced, by either of the following methods, at the Customer's discretion ("Divested Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a) above.

(2) The Baseline SONET MARC will be reduced, by either of the following methods, at the Customer's discretion ("Divested SONET Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services that are SONET revenues for the three (3) months immediately preceding the notification multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a) above.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets(Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps:

Step 1.
Determine the impact on total revenue by calculating the "Divestiture Percentage". The Divestiture Percentage is the percent change between the Pre-Divest and Post-Divest revenues. The "Pre-Divest Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification multiplied by four (4) or the Baseline MARC, whichever is greater. The "Post-Divest Revenue" equals Pre-Divest Revenue minus the Divested Revenue from (B)(1).

Example:
Pre-Divest Revenue = $37,900,000
Divested Revenue = $2,900,000
Post-Divest Revenue = $35,000,000 ($37,900,000 - $2,900,000)

Divestiture Percentage = 8%
(1-($35,000,000/$37,900,000))

Step 2.
Determine the SONET multiplier that results from the divested SONET revenue by the following:

(a) Determine the "Post-Divest SONET Revenue" amount by subtracting the Divested SONET Revenue, as identified in (B) (2) above, from the Pre-Divest SONET Revenue. The "Pre-Divest SONET Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services that are SONET services for the three(3) months immediately preceding the notification multiplied by four (4) or the Baseline SONET MARC, whichever is greater.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets(Cont'd)

(3) (Cont'd)

Step 2. (Cont'd)

(a) (Cont'd)

If the Post-Divest SONET Revenue amount meets or exceeds the Baseline SONET MARC ($6,935,000), the SONET multiplier equals 1.0.

Example:
Pre-Divest SONET Revenue =$7,500,000
Divested SONET Revenue = $500,000
Post-Divest SONET Revenue=$7,000,000

(b) If the Post-Divest SONET Revenue amount is less than the Baseline SONET MARC, the ratio of Post-Divest SONET Revenue to Post-Divest Revenue ("Post-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Post-Divest Revenue = $35,000,000
Post-Divest SONET Revenue= $6,700,000
Post-Divest Ratio = 19%
($6,700,000/$37,900,000)

(c) If the Post-Divest Ratio is equal to or greater than 23%, the SONET multiplier equals 1.0.

(d) If the Post-Divest Ratio is below 23%, the ratio of Pre-Divest SONET Revenue, as identified in Step 2 (a), to total Pre-Divest Revenue ("Pre-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Pre-Divest Revenue = $37,900,000
Pre-Divest SONET Revenue= $7,500,000
Pre-Divest Ratio = 20%
($7,500,000/$37,900,000)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) (Cont'd)

Step 2. (Cont'd)

(e) A SONET equalizer will be calculated by subtracting the Pre-Divest Ratio from 23% ("SONET Equalizer"). The SONET Equalizer will be added to the Post-Divest Ratio, resulting in a revised Post-Divest Ratio.

Example:
Pre-Divest Ratio = 20%
SONET Equalizer = 3% (23%-20%)

Post-Divest SONET Ratio = 19%
SONET Equalizer = 3%
Revised Post-Divest Ratio = 22%

(f) The following SONET multipliers will be applied based upon the revised Post-Divest Ratio(s):

(i) 23% or greater, a SONET multiplier of 1.0 will be used;

(ii) Less than 23%, but equal to or greater than 20%, a SONET multiplier of 1.25 will be used;

(iii) Less than 20%, but equal to or greater than 10%, a SONET multiplier of 1.50 will be used; or

(iv) Less than 10%, a SONET multiplier of 2.0 will be used.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) (Cont'd)

Step 3.

The Divestiture Percentage multiplied by the SONET multiplier will equal the percent reduction in the IDCCs and IDACs which remain available to the customer.

Example:
IDCC-Level equals 5
IDAC-Level equals 3
Divestiture % = 8%
SONET Multiplier = 1.25 (assuming a revised Post-Divest Ratio of 22%)

Reduced IDCC = $1,062,900
(1,181,000 – (1,181,000 x (.08 X 1.25)))

Reduce IDAC = $5,409,090
(6,010,100 – (6,010,100 X (.08 X 1.25)))

(4) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Divestiture Notice Date. The recalculated Key Numbers will become effective once the Divested Market's, billed, recurring revenues for Qualified Access Service are no longer being billed to the Customer ("Divestiture Effective Date"). Starting with the remaining quarters of the Term Year as of the Divestiture Effective Date, the recalculated Key Numbers will be used to determine the applicable IDCC and IDAC amounts.

(a) If the Divestiture Effective Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are effective or thirty (30) days in arrears of the end of the quarter, whichever is later; or,

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(4) (Cont'd)

(b) If the Divestiture Effective Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

41.22.7. WAMS-VIP Cell-Site Performance – Credits

(A) Description

Cell-Site Performance Improvement Credits are available to the Customer based upon the quality of service delivered during the Term Period, as set forth in subparagraph (2) below. The credits will be granted in the event that the Telephone Company's Contract Offer No. 22 service performance level objectives for cell-site DS1 Qualified Access Services are not met.

(1) The DS1 Qualified Access Services cell-site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell-site DS1 circuits are in service during a given month compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours) plus (28 days, times 110 circuits, times 24 hours) or 148,320. This would be the denominator of the network availability equation.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(A) Description (Cont'd)

(1) Example: (Cont'd)

The numerator would be the total hours of outage based upon measured tickets reported to the Telephone Company subtracted from the 148,320. If there were eight (8) reported failures averaging 3.5 hours per outage, the total hours of outage would be equal to twenty-eight (28). The resulting availability equation for those two (2) months will be ((148,320-28)/148,320) or 99.981%. A twelve (12) month aggregation using the same process as noted for two (2) months will be used to determine annual percent availability for a Customer.

(2) Table E below provides cell-site service performance targets, based on DS-1 Percentage of Network Availability, for each Term Year.

Table E

Term Year	% Network Availability
1	99.9830%
2	99.9854%
3	99.9877%
4	99.9900%
5	99.9900%
6	99.9900%
7	99.9900%

(B) At the Annual True-Up, if the Telephone Company annual results fail to meet the performance target, as specified in Table E above, and the Customer has met the Baseline MARC, the Telephone Company will provide credits and services as follows:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(B)(Cont'd)

(1) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble ticket reported to the Telephone Company during the Term Year for cell-site improvements. The special construction credits will be used to improve performance at mutually agreed upon Customer's cell sites that are performing below the DS-1 Percentage of Network Availability as specified in Table E above.

For example: special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell-sites; and,

(2) The Telephone Company will provide Customer the ability to purchase Automatic Loop Transfer service at twenty-five percent (25%) discount off the monthly recurring rates described in F.C.C. No. 73, Section 39.5.2 for those cell sites that fail to meet the performance target, as specified in Table E above.

41.22.8 Termination

The Customer's subscription to this Contract Offer No. 22 shall terminate if Customer gives notice to Telephone Company, as set forth in the following paragraph, and as set forth elsewhere in this Contract Offer No. 22.

The termination liability charges described below shall apply if termination occurs because the Customer does not make a Shortfall Payment as described in Section 41.22.5(B)(1) and/or the Customer elects to terminate its subscription to Contract Offer No. 22 for reasons other than described in Section 41.22.6(A)(6) option(ii) and/or 41.22.8(B).

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, written notification must be provided to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.8 Termination (Cont'd)

(A) Termination Liability

Termination liability charges will consist of the sum of the following:

(1) Ten percent (10%) of the Baseline MARC divided by twelve (12)) then multiplied by the number of months remaining in the Term Period; plus
(2) Repayment of the IDCC, IDAC and SONET-ID given under Contract Offer No. 22 during the three (3) quarters preceding the termination date.

Example:

Customer with a Baseline MARC of $29,652,000 and an IDC of $35,806,000 terminates its Contract Offer Subscription after forty-eight (48) months and with thirty-six (36) months remaining in the eighty-four (84) month Term Period, and the Customer received IDCC and IDAC of $702,750 and $3,437,500, respectively, for the previous three quarters before termination. The termination liability charges would be:

(($29,652,000/12) X 10% X 36) + ($702,750 + $3,437,500) = $13,035,850 termination liability charge.

(B) Rate Reductions

If the tariffed rates for the Qualified Access Services are reduced by a cumulative total of twenty percent (20%) from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the LOS by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

To determine whether the 20% rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Qualified Access Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	TX	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage (CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.22 Contract Offer No. 22 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.22.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

Telephone Company shall also perform a similar exercise within sixty (60) days following each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis). The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis Comparison

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	% Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	1000	$300,000	$200,000	
Total	9600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Qualified Access Service rate elements listed below:

1. DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed and Channel Mileage (CM) per mile;

2. DS3 – CT, CM fixed, CM per mile and Multiplexing (MUX); and

3. SONET – All SONET rate elements for Self-Healing Transport Network (STN), BCS, ReliaNet, [1] and [1] services.

[1] See footnote (1) on page 41-140.

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 23 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.

41. [1]

[1] See footnote (1) on page 41-176.

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41. [1]

[1] See footnote (1) on page 41-176.

41. [1]

[1] See footnote (1) on page 41-176.

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41. [1]

[1] See footnote (1) on page 41-176.

41. [1]

[1] See footnote (1) on page 41-176.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term

41.24.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.24.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

(1) Amarillo, TX
(2) Austin-San Marco, TX
(3) Corpus Christi, TX
(4) Dallas-Ft. Worth, TX
(5) Fort Smith, AR-OK
(6) Houston, TX
(7) Lubbock, TX
(8) Midland, TX
(9) San Antonio, TX
(10) Topeka, KS
(11) Kansas City, MO-KS
(12) Springfield, MO
(13) St. Louis, MO
(14) Little Rock-North Little Rock, AR
(15) Oklahoma City, OK
(16) Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.24.2 Contract Terms

(A) Contract Offering No. 24 is available during the purchase period, which begins July 31, 2004 and ends October 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 24.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 24 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.24.2 Contract Terms (Cont’d)

(E) The initial contract term for Contract Offering No. 24 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 24 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 24 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 24 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 24.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 24 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.24.2(L). The termination charge for Contract Offering No. 24 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user’s premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 24 terminated and the termination charges described in 41.24.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user’s premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.24.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.24.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 24 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.24.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 24 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 24, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 24.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 24 terminated. If Contract Offering No. 24 is terminated during the initial contract term, the termination charges described in 41.24.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.24.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.24.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.24.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.24 Contract Offering No. 24 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.24.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term

41.25.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.25.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

(1) Amarillo, TX
(2) Austin-San Marco, TX
(3) Corpus Christi, TX
(4) Dallas-Ft. Worth, TX
(5) Fort Smith, AR-OK
(6) Houston, TX
(7) Lubbock, TX
(8) Midland, TX
(9) San Antonio, TX
(10) Topeka, KS
(11) Kansas City, MO-KS
(12) Springfield, MO
(13) St. Louis, MO
(14) Little Rock-North Little Rock, AR
(15) Oklahoma City, OK
(16) Tulsa, OK

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.25.2 Contract Terms

(A) Contract Offering No. 25 is available during the purchase period, which begins July 31, 2004 and ends October 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 25.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 25 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.25.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 25 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 25 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 25 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 25 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 25.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 25 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.25.2(L). The termination charge for Contract Offering No. 25 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 25 terminated and termination charges described in 41.25.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.25.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.25.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 25 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.25.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 25 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 25, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 25.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 25 terminated. If Contract Offering No. 25 is terminated during the initial contract term, the termination charges described in 41.25.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.25.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.25.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.25.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.25 Contract Offering No. 25 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.25.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term

41.26.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.26.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.26.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

(1) Amarillo, TX
(2) Austin-San Marco, TX
(3) Corpus Christi, TX
(4) Dallas-Ft. Worth, TX
(5) Fort Smith, AR-OK
(6) Houston, TX
(7) Lubbock, TX
(8) Midland, TX
(9) San Antonio, TX
(10) Topeka, KS
(11) Kansas City, MO-KS
(12) Springfield, MO
(13) St. Louis, MO
(14) Little Rock-North Little Rock, AR
(15) Oklahoma City, OK
(16) Tulsa, OK

41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.26.2 Contract Terms

(A) Contract Offering No. 26 is available during the purchase period, which begins July 31, 2004 and ends October 31, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 26.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 26 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.26.2 Contract Terms (Cont'd)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

(E) The initial contract term for Contract Offering No. 26 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 26 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 26 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 26 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 26.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 26 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.26.2(L). The termination charge for Contract Offering No. 26 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.26.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 26 terminated and the termination charges described in 41.26.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 26 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.26.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 26 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 26, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 26.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.26.2 Contract Terms (Cont'd)

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 26 terminated. If Contract Offering No. 26 is terminated during the initial contract term, the termination charges described in 41.26.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.26.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.26 Contract Offering No. 26 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.26.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$250.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 27 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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41. [1]

[1] See footnote (1) on page 41-203.

41. [1]

[1] See footnote (1) on page 41-203.

41. [1]

[1] See footnote (1) on page 41-203.

41. [1]

[1] See footnote (1) on page 41-203.

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41. [1]

[1] See footnote (1) on page 41-203.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term

41.28.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.28.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.28.2 Contract Terms

(A) Contract Offering No. 28 is available during the purchase period, which begins October 29, 2004 and ends April 29, 2005.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 28.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 28 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.28.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 28 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 28 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 28 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 28 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 28.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 28 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.28.2(L). The termination charge for Contract Offering No. 28 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 28 terminated and the termination charges described in 41.28.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.28.3(B).

(This page filed under Transmittal No. 1)

41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.28.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 28 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.28.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 28 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 28, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 28.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 28 terminated. If Contract Offering No. 28 is terminated during the initial contract term, the termination charges described in 41.28.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.28.2Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.28.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.28.3Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.28 Contract Offering No. 28 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.28.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term

41.29.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.29.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.29.2 Contract Terms

(A) Contract Offering No. 29 is available during the purchase period, which begins October 29, 2004 and ends April 29, 2005.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 29.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 29 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.29.2 Contract Terms (Cont’d)

(E) The initial contract term for Contract Offering No. 29 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 29 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 29 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 29 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 29.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 29 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.29.2(L). The termination charge for Contract Offering No. 29 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user’s premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 29 terminated and termination charges described in 41.29.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user’s premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.29.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.29.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 29 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.29.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 29 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 29, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 29.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 29 terminated. If Contract Offering No. 29 is terminated during the initial contract term, the termination charges described in 41.29.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.29.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.29.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.29.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.29 Contract Offering No. 29 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.29.3 Rate Regulations (Cont’d)

(A) Types of Rate and Charges (Cont’d)

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term

41.30.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.30.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.30.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.30.2 Contract Terms

(A) Contract Offering No. 30 is available during the purchase period, which begins October 29, 2004 and ends April 29, 2004.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 30.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 30 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.30.2 Contract Terms (Cont'd)

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

(E) The initial contract term for Contract Offering No. 30 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 30 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 30 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 30 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 30.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 30 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.30.2(L). The termination charge for Contract Offering No. 30 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

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41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.30.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 30 terminated and the termination charges described in 41.30.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 30 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.30.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity, and,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 30 was provided, and,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 30, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 30.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.30.2 Contract Terms (Cont’d)

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company’s intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 30 terminated. If Contract Offering No. 30 is terminated during the initial contract term, the termination charges described in 41.30.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.30.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.30 Contract Offering No. 30 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.30.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.31 Contract Offer No. 31 – Special Access Service Offer

41.31.1 General Description

The Special Access Service Offer (Contract Offer No. 31) is an access discount pricing plan requiring subscription from Customers under the following Access Tariffs: Ameritech Operating Companies Tariff F.C.C. No 2.,Nevada Bell Telephone Company Tariff F.C.C. No. 1, The Southern New England Telephone Company Tariff F.C.C. No. 39, Pacific Bell Telephone Company Tariff F.C.C. No. 1, and Southwestern Bell Telephone Company Tariff F.C.C. No. 73 (SWBT). The plan requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) for five (5) years. Contract Offer No. 31 is available to any Customer with at least $18.5 million in cumulative annual recurring revenue for qualified access services in the SBC Interstate Access Tariffs as identified above. The qualified access services for the Southwestern Bell Telephone Company (SWBT) are listed in Section 41.31.3(B). The Customer must meet the Eligibility Criteria as described in Section 41.31.2 and the Terms and Conditions as described in Section 41.31.3. (Nx)

The Customer must meet a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year term. In the event the Customer does not meet its MARC as of each anniversary date, the Customer will be required to remit a payment, via the Annual True-Up process described in Section 41.31.4(D), otherwise termination liability charges will apply. Contract Offer No. 31 will only be available November 17, 2004 through January 17, 2004.

41.31.2 Eligibility Criteria

The following Eligibility Criteria must be met in order to receive Contract Offer No. 31 discounts:

(A) Contract Offer No. 31 is only available for services located in the following Metropolitan Statistical Areas (MSAs): Fayetteville, Fort Smith, Little Rock, AR; Kansas City, Topeka, Wichita, KS; Joplin, Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Beaumont, Brownsville- Harlingen, Corpus Christi, Dallas-Ft. Worth, El Paso, Houston, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

If the Telephone Company receives pricing flexibility relief in additional MSAs, the Customer will be able to use services and/or revenue from those areas to meet MARC commitments upon adjustment of the MARC for those incremental revenues as defined in Section 41.31.4.

(B) The Customer cannot subscribe to this Contract Offer concurrently with SBC's MVP offering in Section 38;

(X) Issued under authority of Special Permission No. 04-075 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.2 Eligibility Criteria (Cont'd)

(C) The Customer must have a minimum of $18.5 million in cumulative annual recurring revenue for Voice Grade (VG), MegaLink Data (DS0), High Capacity (DS1), Mega Link Custom (DS3), [1], [1] and [1] Services from this Contract Offer and the Contract Offers listed in Section 41.31.3 (A).

(D) The Customer must maintain an Access Service Ratio, equal to or greater than 98%. The Access Service Ratio is defined in Section 41.31.3(H) and will be measured monthly.

41.31.3 Terms and Conditions

(A) Concurrent Subscription

The Customer must concurrently subscribe to the parallel Contract Offers of Contract Offer No. 31 pursuant to the following tariffs:

(1) Pacific Bell Tariff F.C.C No. 1, Section 33, Contract Offer No. 34.
(2) Ameritech Tariff F.C.C. No. 2, Section 22,Contract Offer No. 43.
(3) Nevada Bell Tariff F.C.C. No. 1, Section 23, Contract Offer No. 2.
(4) Southern New England Tariff F.C.C. No. 39, Section 25, Contract Offer No. 6.

(B) Subject Services

Contract Offer No. 31 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) VG/DS0 Services - SWBT Tariff F.C.C. No. 73 Sections 7.3.4, 7.3.9 for Phase I MSAs, and Sections 39.5.2.3, 39.5.2.6 for Phase II MSAs;
(2) DS1/DS3 Service - SWBT Tariff F.C.C. No. 73, Sections 7.3.10, 20.5 for Phase I MSAs and Section 39.5.2.7 and 39.5.2.12 for Phase II MSAs;
(3) [1] Service – SWBT Tariff F.C.C. No. 73, Section [1] for Phase I and Section [1] for Phase II;
(4) [1] – SWBT Tariff F.C.C. No. 73, Sections [1] and [1] for Phase I MSAs, and Sections [1] and [1] for Phase II MSAs.
(5) [1]– SWBT Tariff F.C.C. No. 73 Section [1] for Phase I MSAs and Section [1] for Phase II MSAs.

[1] Material previously contained in this section has been deleted. DSRS, GigaMAN, and OCN PTP 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. 31 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.3 Terms and Conditions (Cont'd)

(B) (Cont'd)

All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 41.31.4.

(C) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives a completed Letter of Authorization (LOA) from the Customer. Contract Offer No. 31 is not renewable.

Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any Subsequently Added Services to which Customer subscribes after commencement of the Term Period in accordance with the terms set forth herein, must be on five (5) year term payment plans or converted to five (5) year term payment plans (where available) in order to receive discounts pursuant to this Contract Offer. If five (5) year term is not available, the Customer must select from the longest term plan available for the service. The Customer may select from any term plan available for purchases of new Subject Services.

(D) Discounts

Discounts will be applied 60 days after the close of each quarter beginning with the first three months after contract commencement. Discounts will be applied each quarter that the Customer complies with MARC requirements, all Eligibility Criteria, and all Terms and Conditions. MARC calculations are discussed in Section 41.31.4 and the application of discounts is detailed in Section 41.31.5.

(E) General

Services are subject to certain rates, charges, and general terms and conditions in other sections of F.C.C. Tariff No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 - DS1, DS3, [1] Service Offer (Cont'd)

41.31.3 Terms and Conditions (Cont'd)

(F) Contract Termination

If the Customer should terminate this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.31.8.

If the Customer fails to maintain any of the Terms and Conditions detailed in Section 41.31.3, the Telephone Company will notify the Customer in writing. The Customer will have 60 days to return to compliance. Failure to comply within 60 days will constitute a default and the Telephone Company shall have the right to terminate this contract. In the event of termination by Telephone Company, termination liability charges will apply as set forth in Section 41.31.8.

(G) Minimum Annual Revenue Commitment (MARC)

Customer must maintain a MARC (as described in Section 41.31.4 for each year in the Term Period of this Contract Offer.

(H) Access Service Ratio

As referenced in Section 41.31.2(D), the Customer and its affiliates must maintain an Access Service Ratio of 98% or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 98%. The 98% ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates interstate recurring billed revenue associated with the rate elements, as defined in Table A:

TABLE A:

Service	General/Basic Description
Voice Grade	7.3.4
DS0, DS1, DS3 Services	7.3.9, 7.3.10,20.14
[1]	[1]
[1]	[1]
[1]	[1]

(2) Wholesale Revenue is the Customer's and its affiliates recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s).

[1] See footnote (1) on page 41-231.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	**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/LT3	**DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services**
OC-3 OC-12 OC-48	**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 Transport Products	**Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport**

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

(3) As new rate elements are introduced to Table A in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(4) As new rate elements are introduced to Table B in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Wholesale Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given month of the term, upon notification from the Telephone Company, the Customer has ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 98% Access Services Ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and the Telephone Company shall have the right to terminate this Contract Offer. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.31.8.

(6) Credits will not be issued until the Customer has met the 98% Access Services Ratio.

(I) The Customer will not be able to subscribe to any future Contract Offerings in Section 41 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer.

(J) The Customer must pay billed charges in full for the Term Period of the contract, excluding amounts being disputed. The Telephone Company will provide Customer written notice of a non-compliance situation. Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 41.31.8 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.3 Terms and Conditions (Cont'd)

(K) Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5 and Section 41.31.3 (J) above.

(L) The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviation (ACNA), Other Company Name (OCN) and/or Tiecodes (collectively " Company Code(s)") that the Customer designates for inclusion in this Contract Offer. Company Code(s) may be added by the Customer after initial subscription but are subject to revenue and calculation requirements discussed in Section 41.31.4 (B). Customer shall not incur any termination liability under the relevant tariffs as a result of adding any such Company Code(s).

41.31.4 Minimum Annual Revenue Commitment (MARC)

(A) Calculation of the MARC

Under Contract Offer No. 31, the Customer must establish and maintain a MARC. The MARC will be calculated as outlined in this section. The MARC for the first year will be established when the Telephone Company receives the Letter Of Authorization (LOA) from the Customer and the Customer identifies the Company Code(s) that will be included in this Contract Offer pursuant to Section 41.31.3 (L).

The Customer's MARC for Year 1 is calculated based on the total of the previous three (3) months recurring revenue (recalculated to five-year term rates where applicable) pursuant to Section 41.31.3 (C) for all Subject Services identified in Section 41.31.3 (B) from the SBC Tariffs identified in Section 41.31.3 (A) in eligible pricing flexibility MSAs defined in Section 41.31.2 (A), multiplied by four (4):

(Prior 3 months recurring revenue) x 4 = Year 1 MARC.
The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date.

Example for Year 1 MARC Establishment:

The Customer's prior 3 months recurring revenue (re-rated to 5 year term rates) is $5M. The Customer's Year 1 MARC would be $20M. ($5M X 4).
The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date as follows:
Total of the prior three (3) months recurring revenue for all Subject Services multiplied by four (4).
If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will carryover for the new year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Calculation of the MARC (Cont'd)

Example for Year 2 MARC Establishment:

The Customer's prior 3 months recurring revenue is $4M. The Customer's Year 2 MARC is $20M. ($4M X 4 = $16M < $20M). In this example the Customer's prior 3 months recurring revenue multiplied by 4 is less than the Year 1 MARC.

If the Value is less than the Year 1 MARC, then the Year 1 MARC will be used for Year 2.

If the Value calculated is greater than the Year 1 MARC, then the newly calculated MARC will be used as the Year 2 MARC.

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not listed in Section 41.31.2, the Telephone Company will recalculate the MARC to incorporate recurring revenues from those areas and will include those revenues in the calculations discussed in Section 41.31.4 (B).

(B) Calculations to Achieve the MARC

Recurring revenue will be counted to determine whether the Customer achieves its MARC based on the following criteria:

(1) Revenue from Existing Services:

Recurring revenue from Subject Services to which the Customer subscribes as of the commencement of the Term Period and which are billed under the specific Company Code(s) provided by the Customer pursuant to Section 41.31.3 (L) will be included in the calculation used to achieve the MARC effective upon the commencement of the Term Period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services:

Recurring revenue from Subject Services to which the Customer does not subscribe as of the commencement of the Contract Term Period will not be included in the calculations used to achieve the MARC except as specifically allowed in this subsection. Subject Services ordered prior to, and/or purchased after subscription to this Contract Offer and not subscribed to by the Customer as of the commencement of the Contract Term Period will be considered Subsequently Added Services.

Subsequently Added Services will be recalculated to five (5) year term payment plans in accordance with Section 41.31.3(C). Recurring revenue generated from these Subsequently Added Services may only be used in the calculations used to achieve the MARC after (1) the Telephone Company issues a completed service order, (2) the Customer has been billed for the Subsequently Added Services, and (3) the Subsequently Added Services are qualified under one of the following provisions:

(a) First Six (6) Months After Contract Subscription

Within the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision. The Customer must notify the Telephone Company in writing of its desire to include additional Company Code(s) and specify the Company Code(s) to be added. The recurring revenue from Subject Services of these Company Code(s) (recalculated to five (5) year term payment plans where applicable pursuant to Section 41.31.3(C)) shall be eligible for the MARC discounts as detailed in Section 41.31.5 (A)(1). The recurring revenues from Subject Services of these added Company Code(s) are not eligible for above the MARC discounts detailed in Section 41.31.5 (A)(2) or win-back credits detailed in Section 41.31.5 (E)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 - Special Access Service Offer (Cont'd)

41.31.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services (Cont'd)

(b) After the first six (6) Months of Contract Subscription

After the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision.

If the Customer chooses to include any of its additional existing Company Code(s) after the first six (6) months of subscription to this contract offer, the Customer must notify the Telephone Company in writing of its desire to include additional Company Code (s) and specify the Company Code(s) added at which time the MARC developed pursuant to Section 41.31.4 (A) will be re-calculated and increased to reflect the additional Company Codes (recalculated to five (5) year term payment plans where applicable pursuant to Section 41.31.3(C)). The recurring revenue from Subject Services of these Company Codes shall be eligible for the MARC discounts detailed in Section 41.31.5 (A),the above the MARC discounts detailed in Section 41.31.5 (A)(2) and the win-back credits detailed in Section 41.31.5 (E).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(3) Mergers and Acquisitions

If, after subscribing to this Contract Offer, the Customer merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company or companies (the foregoing generally referred to herein as a merger or acquisition) or establishes joint marketing arrangements with another company for Subject Services (including services currently or previously provided through the Telephone Company's network under any Company Code(s), the Mergers and Acquisition provisions discussed in Section 41.31.7 will apply.

(C) MARC Adjustments

The Customer shall have the right to adjust the MARC downward by 10% or 20%. This adjustment can only be made one time during the life of the Contract Term Period anytime after the first 12 months of the Contract Term Period. If the Customer exercises this option, reduced discounts (as specified in Table E Section 41.31.5(B) shall apply for the remainder of the Contract Term Period, discounts previously provided during that contract year will be re-rated retroactively to reflect the reduced discount level, and certain provisions will no longer apply as detailed in Section 41.31.5(B). If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 41.31.7, reduced discounts will remain for the life of the Contract Term Period, and discounts previously received during that contract year will not be re-rated provided the Eligibility Criteria in Section 41.31.2, Terms and Conditions in Section 41.31.3 and the quarterly MARC schedule in Table D Section 41.31.5 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 41.31.5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 - Special Access Service Offer (Cont'd)

41.31.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC commitment as of the anniversary dates, the Customer will be notified by the Telephone Company.

The Customer must remit an Annual True-Up amount calculated as the difference between the annual MARC for the current plan year and the actual annual recurring revenue for the Subject Services.

If the Telephone Company does not receive the Annual True-Up amount within 30 days of the Customer's receipt of its notification, the Customer is deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 41.31.8.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.5 Discounts and Other Credits

(A) Discount Schedule and Application

Table C contains the level of discounts for this Contract Offer.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	7%	20%
2	9%	20%
3	10%	20%
4	11%	20%
5	12%	20%

Example for Year 1:

Customer's MARC = $20M
Customer's actual annual recurring revenues for Subject Services = $25M
Customer will receive a 7% discount on $20M (issued quarterly in accordance with subsection (1) below) and a 20% discount on $5M (issued annually in accordance with subsection (2) below)

(1) The Customer will receive MARC discounts quarterly on recurring revenues for all Subject Services up to the MARC. The discount will be applied 60 days after the close of the quarter. Recurring revenue above the MARC is subject to discounts discussed in Section 41.31.5 (A)(2) below. Recurring revenue from Company Codes added pursuant to Section 41.31.3 (L) will receive quarterly discounts described below at the time the codes are added.

The Customer will receive the quarterly discounts as long as the following percentages of the MARC have been achieved by the close of the quarter per Table D. Discounts will be withheld if the Customer does not meet the percentage requirements in any given quarter and discounts will not be issued until the Customer is in compliance with the MARC percentage schedule as outlined below.

Table D:

Quarter	% of MARC
1st	25%
2nd	50%
3rd	75%
4th	100%

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

(1) (Cont'd)

For example, if the Customer has achieved 25% of the MARC by the close of the 1st quarter and is in compliance with all Terms and Conditions of this Contract offer, discounts will be issued. If in the second quarter the Customer only achieves 40% of the MARC and all Terms and Conditions are met, discounts will be withheld. If by the 3rd quarter the Customer has achieved 75% of the MARC and is in compliance with all Terms and Conditions, discounts previously withheld in the 2nd quarter will be issued as well as discounts due for the 3rd quarter.

(2) The Customer will receive the 20% discount on recurring revenues above the MARC annually. The discount will be applied 60 days after each contract anniversary. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for above the MARC discounts unless added pursuant to Section 41.31.3 (L) or Section 41.31.7.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.5 Discounts and Other Credits (Cont'd)

(B) MARC adjustments Discount Schedule and Application

Table E outlines discounts that the Customer will be eligible to receive depending on the MARC adjustment percentage chosen pursuant to Section 41.31.4 (C)

TABLE E:

MARC Adjustment	10%	20%
Discounts	Year 2 – 3% Year 3 – 4% Year 4 – 5% Year 5 – 6%	Year 2 – 2% Year 3 – 2% Year 4 – 3% Year 5 – 3%
Above MARC discount	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.

For example, the Customer's year 1 MARC is $17M. The Customer's year 2 MARC is $18M (calculated as revenue from the last quarter in year 1 x 4). On the anniversary date at the end of year 2, the Customer's year 2 recurring revenue is $15M. The Customer elects to invoke the MARC adjustment option and adjust the MARC downward by 20%. The Customer's year 3 recalculated MARC is therefore $14.4M = ($18M x 80%).

The Customer's discounts (including any previously withheld) for year 2 will be recalculated to reflect levels as set forth in Table E and would total $300K ($15M x 2%). Any discounts that have been applied to the Customer's bill during year 2 in excess of $300K will be back-billed. The discount amount for year 3 is also 2% as set forth in Table E.

Discounts, on a going forward basis, will be based on the re-calculated MARC and will be subject to percentages as detailed in Table E.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.5 Discounts and Other Credits (Cont'd)

(C) Non-Recurring Charges

The Telephone Company will waive Non-recurring charges associated with the purchase of VG, DS0, DS1, DS3, [1], [1], and [1] Services. In the event that these non-recurring charges are billed, The Telephone Company will credit these charges quarterly. Access Order and Special Construction charges will apply where applicable. Non-recurring charges will be credited quarterly as long as the Customer is in compliance with the Eligibility Criteria in Section 41.31.2 and the Terms and Conditions of this Contract Offer as specified in Section 41.31.3. If the Customer fails to meet the MARC on a contract anniversary date pursuant to Section 41.31.4 (A) and fails to pay the Annual True-Up as defined in Section 41.31.4 (D), the Customer will be back-billed the previous 12-months non-recurring charges previously waived or credited.

(D) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of DS1, DS3, and [1] Services. In the event that termination liability charges for these moves and/or disconnections are assessed, the Telephone Company will credit these charges quarterly provided the following criteria are met, and provided the Eligibility Criteria in Section 41.31.2, and Terms and Conditions in Section 41.31.3 have been met. If the Customer fails to meet the MARC on each contract anniversary date pursuant to Section 41.31.4 (A) and fails to pay the Annual True-Up as defined in Section 41.31.4 (D), the Customer will be back-billed the previous 12-months charges that were waived or credited for termination liability charges.

(1) The move, disconnect, and/or new service may be from any SBC Tariff as described in Section 41.31.1.

(2) DS1 Services

The Telephone Company will credit the Customer, quarterly, any termination liability charges assessed and not disputed for the move and/or disconnection of DS1s throughout the term of this Contract Offer No. 31, provided that the Eligibility Criteria in Section 41.31.2, and Terms and Conditions in Section 41.31.3 have been met.

(3) DS3, OC3 and OC12 PTP Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the disconnection of DS3s, [1] services and [1] services throughout the Contract Term Period as long as the DS3, [1] or [1] has been in service for a minimum of one (1) year from the original installation date, and provided that the Eligibility Criteria in Section 41.31.2 and Terms and Conditions in Section 41.31.3 have been met.

[1] See footnote (1) on page 41-231.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.5 Discounts and Other Credits (Cont'd)

(D) Portability (Cont'd)

(4) [1] and [1]Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the disconnection of [1] or [1] throughout the Contract Term Period, as long as the [1] or [1] has been in service for a minimum of three (3) years from the original installation date, and provided that the Eligibility Criteria in Section 41.31.2 and Terms and Conditions in Section 41.31.3 have been met.

(E) Winback

Winback credits will be calculated and applied on each contract anniversary date, and shall be in addition to all other discounts and credits set forth in this Contract Offer. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for win-back credits described below.

(1) The Customer will receive a 20% discount for the first 12 months of service for any DS1 or DS3 services moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone company's network for at least one year.

(2) The Customer will receive a 30% discount for the first 12 months of service for any [1], [1], [1], and/or [1] or [1] Service moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone Company's network for at least one year.

(3) The Customer must provide documentation to demonstrate that the Subject Services have been converted from another carrier to the Telephone Company's network. Documentation may include but is not limited to: circuit detail records, invoices, and coordinated orders to move the service. The Telephone Company is willing to review other documents that the Customer may deem appropriate to meet this criteria, however only to the extent that it does not result in breach of any non-disclosure agreements which may govern the distribution of such information.

[1] See footnote (1) on page 41-231.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 73, Section 41.31.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 41.31.1, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 "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.

41.31.7 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 31 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be used in Calculations of the MARC as discussed in Section 41.31.4 (A) or Calculations to Achieve the MARC discussed in Section 41.31.4 (B), except as permitted by one of the provisions in this subsection.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 41.31.2 and 41.31.3 in order to exercise the provisions in this subsection.

Recurring revenue from Subject Services from the other entity involved in the merger or acquisition can not be used for any incentives or discounts contained in this Contract Offer except as permitted by one of the provisions outlined in this subsection.

The Customer shall have four one-time choices (per merger or acquisition) to incorporate revenue from the other company involved in the merger or acquisition. If the Customer does not exercise any of the provisions in this subsection by the times specified in relation to the Transaction Close Date, the Customer will not be permitted to use existing or future Special Access revenues from the other company involved in the merger or acquisition in the Calculation of the MARC or Calculations to Achieve the MARC discussed in Section 41.31.4 (A) & (B).

The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. 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.

If the Customer has selected but not yet fully implemented one of the provisions in this subsection, the MARC adjustment calculation as detailed in Section 41.31.4 will only apply to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition.

The Customer cannot combine any of the Merger and Acquisition provisions in this subsection.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

The Telephone Company will calculate Annual Total Special Access revenue of the other company or companies involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection. The Annual Total Special Access revenue will be determined by calculating the prior three (3) months recurring revenue for Subject Services of the other company involved in the merger or acquisition multiplied by four (4). Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn above the MARC discounts discussed in Section 41.31.5 (A) (2) for revenue from the other company involved in the merger or acquisition until after it exceeds the Annual Total Special Access revenue. After the Customer has fully implemented one of the provisions in this subsection, the Customer will be eligible for above the MARC discounts discussed in Section 41.31.5 (A) (2) for revenue above the new combined MARC.

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41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

41.31.7.1 Merger and Acquisition Provisions

(A) Mergers and Acquisitions – Access Services Ratio Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of the recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 41.31.3 (H), the Customer must select from Option 1 or 2 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

The Customer must fully comply with the Access Services Ratio Terms and Conditions within 18 months of the Transaction Close Date and must comply with the Access Conversion Schedule outlined in Table F below. As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Access Services Ratio in Section 41.31.4 (H), the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 41.31.3 (H).

If at any time the Customer does not comply with the Access Conversion Schedule outlined in Table F below, MARC discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will have 30 days to comply with the Access Conversion Schedule. If the Customer does not comply within 30 days, this Contract Offer will be considered in default, and the Telephone Company shall have the right to terminate this Contract Offer and termination liability charges will apply as detailed in Section 41.31.8. Notwithstanding the foregoing, if Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, then the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 41.31.3 (H) and the contract will not be considered in default, however, each party shall take all reasonable steps to comply as soon as possible.

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41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

41.31.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

Table F outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table F: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5h	85%
6th	100%

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41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

41.31.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(1) Option 1

(a) The Customer may establish a temporary MARC by adding 85% but no more than 100% (depending on the Customer's selection) of Special Access Services recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in the 5th year of the Contract Term Period.

(d) The temporary MARC will be calculated by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition from the date this option is selected for Subject Services multiplied by four (4) (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 18 months following the Transaction Close Date using the following calculation.

(i) The last 3 months (at the time of the calculation) of monthly recurring Special Access revenue for the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of temporary MARC as defined in Section 41.31.7.1 (A) (1) (d).

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41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

41.31.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(2) Option 2

(a) The Customer must add at least 85% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the transaction close date.
(b) The Customer must exercise this option within 12 months following the Transaction Close Date.
(c) This option is not available during the 5th year of the Contract Term Period.
(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition(from the date this option is selected) for Subject Services multiplied by four(4) and multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of recurring revenue from Subject Services from the other company involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 41.31.3 (H), the Customer must select from option 3 or 4 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

(1) Option 3

(a) The Customer may establish a temporary MARC by adding 90% to 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services used to calculate the MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

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41.31 Contract Offer No. 31 - Special Access Service Offer (Cont'd)

41.31.7 Mergers and Acquisitions (Cont'd)

41.31.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions - Access Services Ratio Impacting (Cont'd)

(1) Option 3 (Cont'd)

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.
(c) This option is not available during the 5th year of the Contract Term Period.
(d) The temporary MARC will be established by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or the date this option is selected for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection). This amount will be added to the Customer's existing MARC.
(e) A combined permanent MARC will be established no later than 12 months following the Transaction Close Date using the following calculation:
(i) The last three (3) months (at the time of the calculation) of monthly recurring Special Access revenues from the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.
(ii) The permanent MARC must be at least 85% of the temporary MARC as defined Section 41.31.7.1 (A)(4).

(2) Option 4

(a) The Customer must add at least 90% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customers existing MARC as outlined below for a period not to exceed 12 months from the Transaction Close Date.
(b) The Customer must exercise this option within 12 months of the Transaction Close Date.
(c) This option is not available during the 5th year of the Contract Term Period.
(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition(from the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.8 Termination Liability

(A) Termination Liability Charges

If the Customer terminates Contract Offer No. 41 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), 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. The Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 41.31.2, or fails to meet any of the Terms and Conditions in Section 41.31.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 41 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 73, Section 2.5.

The Customer's termination liability charge shall be equal to:

100% of all Discounts under Contract Offer No. 41 for the six (6) months immediately prior to the date of termination; plus the following schedule:

(1) If terminated in Year 1, 10.0% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.

(3) If terminated in Year 3, 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.31 Contract Offer No. 31 – Special Access Service Offer (Cont'd)

41.31.8 Termination Liability (Cont'd)

(A) Termination Liability Charges (Cont'd)

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10.0% of the Year 5 MARC for the remaining portion of Year 5.

(B) New Technology Termination

If the Customer wishes to move its services to new alternative technology (such as Broadband over power lines, Wi-MAX, DWDM, or optical switching technologies), the Customer shall qualify to reduce the MARC termination liability charges as detailed above by 50% in year 4 and/or 5 of this Contract Offer as long as the conditions in this subsection are met. The Customer shall have the right to move its services to new alternative technology and receive reduced termination liability as long as Eligibility Criteria in Section 41.31.2 and all Terms and Conditions in Section 41.31.3 are met. The Customer must provide documentation that reasonably demonstrates that the new technology is an alternative to existing Subject Services.

For example, if the Customer wishes to terminate this Contract Offer due to a new technology in year 4 of the Contract Offer, the termination liability charge would be equal to 100% of discounts applied during the previous six-months as well as 6.25% of the Year 4 MARC for the remaining portion of year 4, plus 6.25% of the Year 4 MARC for year 5.

The Customer must notify SBC in writing at least 90 days prior to the start of year 4 if they wish to terminate in year 4 and invoke this provision or at least 90 days prior to the start of year 5 if they wish to terminate in year 5 and invoke this provision. This notification must include the date upon which the Customer will terminate the Contract Offer. Additionally, this provision is only available to the Customer if it has not exercised the 20% MARC adjustment option as detailed in Section 41.31.4 (C).

(C) This Section 41.31.8 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 41, except for charges due and payable for Subject Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 41.31.5 (C) and (D).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.32 Contract Offer No. 32 – Self Healing Transport (STN) Option 12 Service Offer

41.32.1 General Description

Self Healing Transport (STN) Option 12 Service Offer (Contract Offer No. 32) is an access discount pricing offer that permits Customers currently subscribed to the Managed Value Plan (MVP) located in the Houston, Texas Metropolitan Statistical Area to purchase one STN Option 12 Service at the rates listed in Section 41.32.5.

Contract Offer No. 32 is only available January 27, 2005 through February 27, 2005 and is not renewable.

41.32.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to purchase the STN Option 12 Service Offer:

(1) Contract Offer No. 32 is only available for circuits located in the following Pricing Flexibility Metropolitan Statistical Area: Houston, TX

(2) Customer must be a current Managed Value Plan (MVP) Customer as described in F.C.C 73, Section 38.

(B) Self Healing Transport (STN) Network Service Offer applies to Phase II pricing-flexibility-qualified access services contained in the following tariff section:

Self Healing Transport (STN) Network Service (Option 12)–Southwestern Bell Telephone Company Tariff F.C.C. No 73:

- Rate Regulation – Section 19.3
- Rates and Charges – Section 39.5.2.11

All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.32 Contract Offer No. 32 – Self Healing Transport (STN) Network Option 12 Service Offer Cont'd

41.32.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is three (3) years commencing on the date the Customer subscribes to this Contract Offer. The service term period is three (3) years commencing with the date the Customer is first billed for the STN Option 12 service. Billing commences no later than 30 days after the Telephone Company's completion of the access service order. This offer is not renewable.

If, at the expiration of the Customer's contract Term Period, the Customer elects to continue service, Customer shall select from payment options in Section 39.5.2.11 for the STN service. If the Customer does not elect to continue services pursuant to Contract Offer No. 32, the Customer must terminate service at the conclusion of the service term period. If the Customer chooses to not terminate service at the conclusion of the service term period, the Telephone Company will convert the Customer's service to the prevailing three (3) year term rates as specified in Section 39.5.2.11.

Purchase of the services listed above under this Contract Offer are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for STN Option 12 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.

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41. Pricing Flexibility Contract Offerings Cont'd

41.32 Contract Offer No. 32 – Self Healing Transport (STN) Option 12 Service Offer Cont'd

41.32.3 Terms and Conditions Cont'd

(B) Contract Offer No. 32 is only available January 27, 2005 through February 27, 2005.

(C) In order to subscribe to Contract Offer No. 32 a Customer must submit a Letter of Subscription (LOS).

(D) If the Customer should discontinue service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.32.6.

(E) If, after the Telephone Company receives the Letter of Subscription (LOS) and/or the Firm Order Commitment (FOC) and prior to commencement of the Term Period, the Customer cancels the LOS and/or the FOC, 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.

(F) If the Customer requests additional service features and functions not included in Section 41.32.5 herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services.

(G) Customer may not resell any capacity on services covered under this Contract Offer to a third party.

(H) Service must be a new installation.

(I) Customer is limited to purchasing one Self Healing Transport (STN) Network Option 12 Service.

(J) This Contract Offer can be combined with MVP discounts extended in F.C.C. No. 73 Section 38, but cannot be combined with any other current promotional discount, contract offer, or future offerings.

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41. Pricing Flexibility Contract Offerings Cont'd

41.32 Contract Offer No. 32 – Self Healing Transport (STN) Option 12 Service Offer Cont'd

41.32.4 Assign and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 32 pursuant to F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (b) 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 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:

- "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.

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41. Pricing Flexibility Contract Offerings Cont'd

41.32 Contract Offer No. 32 – Self Healing Transport (STN) Network Option 12 Service Offer Cont'd

41.32.5 Rates and Charges

(A) STN Option 12 Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC):

Rate Element	USOC	Quantity	Discount
Basic Configuration	SHKBX	1	20%
Transport (per airline mile)	1T5QS	0-12	20%
SONET-based Interface Options (OC-12) per access Node, per Interface	SBW3E	2	20%

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41. Pricing Flexibility Contract Offerings Cont'd

41.32 Contract Offer No. 32 – Self Healing Transport Network (STN) Option 12 Offer Cont'd

41.32.6 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability language contained in Section 19.3.15. If Customer terminates Contract Offer No. 32 before the completion of the term period for any reason, 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 41.32.2 or the Terms and Conditions in Section 41.32.3. 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:

50% of all recurring charges for the balance of the Customer's three (3) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $20,000 monthly recurring rate terminates service after one (1) year and has two (2) years remaining in a three (3) year term plan. The termination liability would be calculated as:

$20,000 X 24 X 50% = $240,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer

41.33.1 General Description

MegaLink Custom Service Offer (Contract Offer No. 33) is an access pricing discount plan that permits Customers located in the Oklahoma City Metropolitan Statistical Area to pay discounted rates, as listed in Section 41.33.4 for the purchase of one MegaLink Custom Service.

Contract Offer No. 33 is only available between February 12, 2005, and March 12, 2005. This Offer is not renewable.

41.33.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive the MegaLink Custom Service Contract Offer No. 33:

(1) Service must be located in the following Pricing Flexibility Metropolitan Statistical Area: Oklahoma City, OK;

(2) All traffic must originate or terminate at a Mobile Switching Center (MSC);

(3) Service must be a new installation;

(4) Transport mileage on the MegaLink Custom Service must be no more than six (6) miles.

(B) Contract Offer No. 33 applies to pricing-flexibility-qualified access services contained in the following tariff section:

(1) MegaLink Custom Service (DS3)– Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12.
(2) Self-Healing Transport Network (STN)– Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 19.4.

(C) All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer (Cont'd)

41.33.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is three (3) years commencing on the date billing begins. Billing commences no later than 30 days after the Telephone Company's completion of the access service order.

If, at the expiration of the Term Period, Customer elects to continue service, Customer shall select from payment options described in Section 39.5.2.12 for all services provided under Contract Offer No.33. If the Customer does not elect an option, the services will be converted to the prevailing monthly extension rates, in Section 39.5.2.12, as applicable.

Rate stability under this Contract Offer Term Period applies only to the rates specific to Contract Offer No. 33 as listed in Section 41.33.4. Purchase of the services listed above under Contract Offer No. 33 are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for MegaLink Custom Services, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 33.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer (Cont'd)

41.33.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Contract Offer No. 33 is only available between February 12, 2005, and March 12, 2005:

(2) Customer must submit a Letter of Subscription (LOS);

(3) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS and /or Access Service Request (ASR), 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;

(4) If the Customer should discontinue service under Contract Offer No. 33 during the Term Period, termination liability charges will apply in accordance with Section 41.33.5;

(5) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 33, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangements, node moves, ring design provisioning changes and customer premise rearrangements;

(6) If the Customer requests additional service features and functions not included in Section 41.33.4, herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services;

(7) Customer may not resell any capacity on services covered under Contract Offer No. 33 to a third party;

(8) Services under Contract Offer No. 33 will not be eligible for benefits under the Managed Value Plan (MVP) offering in Section 38;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer (Cont'd)

41.33.3 Terms and Conditions (Cont'd)

(B) (Cont'd)

(9) Customer will not be able to subscribe to any future contract offerings in Section 41 in conjunction with services offered under Contract Offer No. 33; and

(10) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 33 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer (Cont'd)

41.33.4 Rates and Charges

MegaLink Custom Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC) for the MegaLink Custom Service:

Monthly Recurring Charge (MRC):
MegaLink Custom Service$1,200.00

The MRC for the MegaLink Custom Service includes the following components:

Rate Element	USOC	Quantity
Channel Termination	TUZPX	1
Digital Transmission Links (DTL)	SH3BA	1

Non-recurring charges

Non-recurring charges (NRC) for the MegaLink Custom Service can be referenced in F.C.C. No. 73 Section 19 and Section 39, as applicable.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.33 Contract Offer No. 33 – MegaLink Custom Service Offer (Cont'd)

41.33.5 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Section 20.4.6. If the Customer terminates Contract Offer No. 33 before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.33.2, or the Terms and Conditions in Section 41.33.3. 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:

75% of all recurring charges for the balance of the Customer's three (3) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in billing) multiplied by (Termination liability percentage of 75%)

Example: Customer with a $1,000 monthly recurring rate terminates service after one (1) year and has twenty-four (24) months remaining in a three (3) year term plan. The termination liability would be calculated as:

$1,000 X 24 X 75% = $18,000 termination liability charge.

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 34 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.

41. [1]

[1] See footnote (1) on page 41-269.

41. [1]

[1] See footnote (1) on page 41-269.

41. [1]

[1] See footnote (1) on page 41-269.

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41. [1]

[1] See footnote (1) on page 41-269.

41.[1]

[1] See footnote (1) on page 41-269.

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41. Pricing Flexibility Contract Offerings

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer

41.35.1 General Description

Managed Value Plan (MVP) DS1, DS3 and [1] Service Offer ("Contract Offer No. 35") is an access discount pricing plan for MVP Customers where subscription is required in four of the SBC Companies: Ameritech Operating Companies, Southwestern Bell Telephone Company, Southern New England Telephone Company and Pacific Bell Telephone Company. This Offering provides a 50% discount off recurring tariff rates for DS1, DS3, and [1] services described in Section 41.35.2. In order to receive the discount, Customers must meet the Eligibility Criteria as described in Section 41.35.3. and are subject to the Terms and Conditions as described in Section 41.35.4. Customers will continue to receive MVP discounts provided that they meet their MVP contract obligations in Section 22 of F.C.C. No. 73 Tariff.

Customers must commit to a Current Annual Revenue Commitment (CARC), as described in Section 41.35.5. To ensure that the Customer will meet the CARC by end of years 2005, 2006 and 2007, the Telephone Company will review revenue quarterly. In the event the Customer is not meeting its CARC, the Customer will be required to remit payments, via the quarterly True-Up process described in Section 41.35.6, otherwise termination liabilities will apply.

Contract Offer No. 35 will only be available between February 23, 2005, through March 25, 2005.

41.35.2 Services Available Under Contract Offer No. 35

(A) Contract Offer No. 35 offers discounts on the recurring rates for the Price Flex eligible DS1, DS3 and [1] Access Services (hereafter referred to as Subject Services) contained in the Tariff Sections listed below, and only in the Metropolitan Statistical Areas (hereafter referred to as MSAs) defined in Section 41.35.4(C). The discounts also apply to the MVP qualified access services, which are Subject Services that are counted toward achievement of the MARC or any temporary MARC pursuant to Section 41.35.8.

Service	General / Basic Description	Phase 1 MSAs Rates and Charges	Phase 2 MSAs Rates and Charges
DS1 High Capacity Service & DS3 MegaLink Custom Service	7.3.10(A) & 20.1	7.3.10(F) & 20.5	39.5.2.7
(1)	(1)	(1)	(1)

(1) Material previously contained in this section has been deleted. OCN PTP 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. 35 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.

41. Pricing Flexibility Contract Offerings

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.2 Services Available Under Contract Offer No. 35 (Cont'd)

(B) Purchase of the Subject Services listed above pursuant to Contract Offer No. 35 are subject to the specific terms and conditions of Section 41.35.4. Additionally, purchase of the services listed above pursuant to Contract Offer No. 35 are also subject to the general terms and conditions of F.C.C. Tariff No. 2 as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, 6- Switched Access Service, 7-Special Access Service and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such general terms and conditions may be modified through the filing of tariff changes at any time during the Term Period; however, such changes will not change the regulations described in Contract Offer No. 35.

Subject Services continue to be governed by the respective terms and conditions of the MVP provisions in Section 38, F.C.C. Tariff No. 73 except as noted herein.

41.35.3 Eligibility Criteria for Contract Offer No. 35

Customer must meet the following eligibility criteria at the time of subscription and must continue to meet these eligibility criteria throughout the term of this Contract Offer. Failure to meet the eligibility criteria at any time shall result in termination of this Contract Offer.

(A) Contract Offer No. 35 is only available to Customers who are currently subscribing to MVP, in the following Telephone Companies:

- Ameritech Operating Companies (AIT) F.C.C. No. 2 Section 19;
- Southwestern Bell Telephone Company (SWBT) F.C.C. No. 73 Section 38; and
- Pacific Bell Telephone Company (PBTC) F.C.C. No. 1 Section 22.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.3 Eligibility Criteria for Contract Offer No. 35 (Cont'd)

(B) Customer must also concurrently subscribe to the identical contract offers of Contract Offer No. 35 pursuant to the following tariffs:

- AIT Tariff F.C.C. No. 2 , Section 22 , Contract Offer No. 47;
- PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 41; and
- SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 10.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.4 Terms and Conditions

(A) Term Period

The contract Term Period will commence on April 1, 2005, if the Telephone Company has received a completed Letter of Subscription and expires on December 31, 2007 ("Term Period"). This offer is not renewable.

(B) Application

Subject Services to which the Customer already subscribes as of the commencement of the Term Period will receive discounts effective upon the commencement of the Term Period.

Subject Services purchased after the commencement of the Term Period will receive the discounts only after the service has been provisioned. Monthly billing credits will be issued for every month in which the Subject Services are purchased in compliance with the eligibility criteria in Section 41.35.3. The Credits will be applied within 30 days after each billing cycle.

(C) This Contract Offer No. 35 is only available for Subject Services located in the following MSAs:

Pricing-Flexibility MSAs: Austin-San Marcos, Dallas/Ft Worth, Houston and San Antonio, Texas.

(D) Contract Offer No. 35 provides a discount of 50% off the monthly recurring tariff rates listed in Section 41.35.2 (A) for existing and new Subject Services.

Example:

Subject Services Monthly Recurring Charge	= $2000
50% Discount	= $1000

(E) Customer agrees to maintain a Current Annual Revenue Commitment (CARC) (as described in Section 41.35.5) for the calendar years of 2005, 2006 and 2007.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.4 Terms and Conditions (Cont'd)

(F) Customer agrees to a quarterly true-up as described in Section 41.35.6 for the calendar years of 2005, 2006 and 2007.

(G) When Customer subscribes to this Contract Offer, the Telephone Company will waive any termination liabilities that would otherwise apply pursuant to SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 15 for the Subject Services to be provided pursuant to this Contract Offer. Termination liabilities shall otherwise apply according to the terms of the applicable tariff.

(H) Customer must submit a Letter of Subscription to the Telephone Company.

41.35.5 Current Annual Revenue Commitment

Under Contract Offer No.35, Customer must to maintain a Current Annual Revenue Commitment (CARC). The CARC will be established using either the Customer's current MVP MARC or an Annual Revenue Commitment calculated as outlined below in Section 41.35.5(A), whichever is greater. The CARC will be established as soon as the Telephone Company receives the Letter of Subscription from the Customer. The CARC calculation will be the latest CARC established for Customers who are subscribing to SWBT Tariff F.C.C. No.73, Section 41, Contract Offer No. 15.

(A) Determining the Annual Revenue Commitment

The Customer's Annual Revenue Commitment is calculated based on the total of the previous three (3) months recurring billing for all MVP qualified access services prior to any MVP discounts (as listed in F.C.C. 73, Section 19), multiplied by four (4). The Annual Revenue Commitment is calculated as follows:
Previous Three (3) Months Recurring Billing X 4 = Annual Revenue Commitment

(B) If at any time during the contract Term Period of this Contract Offer the Customer's MVP MARC becomes greater than the CARC the Customer will commit to increase and maintain the CARC to be equal to its MVP MARC as it may change during the Term Period.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.5 Current Annual Revenue Commitment (Cont'd)

(C) If the Customer fails to achieve the CARC on either December 31, 2005, December 31, 2006, or December 31, 2007, and fails to remit the annual projected gap payment, the Customer will be deemed to have terminated its subscription in Contract Offer No. 35 and termination liability charges will apply as set forth in Section 41.35.7.

41.35.6 Quarterly True Up

To ensure that the Customer will meet the CARC by the end of each year 2005, 2006 and 2007, the Telephone Company will review revenues quarterly. In the event that the Customer has an estimated shortfall, the Customer is required to remit Quarterly Gap Payments as described below. Quarterly is defined as consecutive three (3) month periods from April 1, 2005, through December 31, 2005, from January 1, 2006, through December 31, 2006, and from January 1, 2007, through December 31, 2007. The process of remitting payments to eliminate the Annual Projected Gap is referred to as the True-Up process.

The Telephone Company will calculate the Customer's Annual Projected Gap (if any) on a quarterly basis. The Annual Projected Gap is the CARC, less any annual projected MVP discounts, less actual annualized revenues. Actual annualized revenue is the Customer's actual billed amount to date, annualized to determine end of year estimated revenues. Actual annualized revenues will include any previous quarterly gap payment that the Customer has made. For this calculation, the actual annualized revenues are calculated after discounts from this Contract Offer No. 35, and any other applicable credits or discounts (i.e., MVP) have been applied.

Example A: Annual Projected Gap calculation at end of 1st quarter 2006
CARC = $12,000,000
Less projected MVP discounts = $ 2,000,000
Sub total= $10,000,000
Less actual quarterly revenue ($1.5M) X 4 (annualized)= $ 6,000,000
Annual Projected Gap= $ 4,000,000

(A) If there is a positive Annual Projected Gap as measured above for the quarter, the Customer must make Quarterly True-Up payments. Quarterly True-Up payments will be calculated using the percentages in section 41.35.6 (B) and will be applied to the Annual Projected Gap to determine the gap payment. See example B in Section 41.35.6.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.6 Quarterly True Up (Cont'd)

(B) Quarterly True-up payments will be calculated utilizing the following percentiles:

Quarter	Percent
1st	0%
2nd	25%
3rd	66%
4th	100%

Example B: Quarterly True-up

1st Quarter, 2006
Actual revenue 1st Quarter:
January = $ 400,000
February = $ 500,000
March = $ 600,000
Total = $ 1,500,000

CARC =$12,000,000
Less projected MVP discount =$ 2,000,000
Sub total =$10,000,000
Less actual 3 months revenue ($1.5M) x 4 (annualized):
=$ 6,000,000
Annual Projected Gap =$ 4,000,000

$4,000,000 x 0% = $0.00 Quarterly True-up payment

2nd Quarter, 2006
Actual revenue 1st and 2nd Quarter:
January = $ 400,000
February = $ 500,000
March = $ 600,000
April = $ 600,000
May = $ 700,000
June = $ 700,000
Total = $ 3,500,000

CARC = $12,000,000
Less projected MVP discount = $ 2,000,000

Sub total = $10,000,000
Less actual 6 months revenue ($3.5M) x 2 (annualized):
= $ 7,000,000
Annual Projected Gap = $ 3,000,000

$3,000,000 x 25% = $750,000 Quarterly True-up payment

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer Cont'd)

41.35.6 Quarterly True Up (Cont'd)

(B) (Cont'd)
Example B: Quarterly True-up (Cont'd)
3rd Quarter, 2006
Actual revenue 1st, 2nd and 3rd Quarter

January	= $	400,000
February	= $	500,000
March	= $	600,000
April	= $	600,000
May	= $	700,000
June	= $	700,000
July	= $	500,000
August	= $	600,000
September	= $	665,038
Total	= $	5,265,038

CARC = $12,000,000
Less projected MVP discounts = $2,000,000
Sub total = $10,000,000
Less (9 months actual revenue + 2nd Quarter Gap payment) x 1.33:
($5,265,038 + $750,000) x 1.33 = $8,000,000
Annual projected Gap = $2,000,000
$2,000,000 x 66% = $1,320,000 Quarterly True-up payment

4th Quarter, 2006
Actual revenue 1st, 2nd, 3rd and 4th Quarter

January	= $	400,000
February	= $	500,000
March	= $	600,000
April	= $	600,000
May	= $	700,000
June	= $	700,000
July	= $	500,000
August	= $	600,000
September	= $	665,038
October	= $	500,000
November	= $	550,000
December	= $	614,962
Total	= $	6,930,000

CARC = $12,000,000
Less projected MVP discounts= $2,000,000
Sub total = $10,000,000
Less (12 months actual revenue + 2nd & 3rd Quarter Gap payment):$6,930,000 + $750,000 + $1,320,000 =$9,000,000
Annual Projected Gap = $ 1,000,000
$1,000,000 x 100% = $1,000,000 Quarterly True-up payment

In the example above at the end of the 4th Quarter the Customer's actual revenue plus the Customer's Quarterly Gap payments, plus projected MVP discounts will equal the CARC.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.6 Quarterly True Up (Cont'd)

(B) (Cont'd)

$6,930,000 (end of year actual revenue) + $750,000 (2nd Quarter Gap Payment) + $1,320,000 (3rd Quarter Gap Payment) + $1,000,000 (4th Quarter Gap Payment) + $2,000,000 (projected MVP discount) = $12,000,000

(C) The Telephone Company will provide Customer a quarterly gap payment bill (if applicable) within 30 days after the end of the quarter.

(D) If, at the end of December 31, 2005, December 31, 2006, or December 31, 2007, the Customer has exceeded their CARC (actual revenue + gap payments) and have made Quarterly Gap Payments, the Telephone Company will credit the Customer's account the amount exceeding the CARC, but not greater than the total gap payments the Customer has made.

41.35.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 35 pursuant to F.C.C. No. 2, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 2, Section 2.2.1, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 "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.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 35 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets constituting an operating business to any other entity, or purchases all stock or substantially all stock or assets constituting an operating business of another company (the foregoing generally referred to herein as a merger or acquisition). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases MVP qualified access services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for MVP qualified access services of the other company or the assets constituting an operating business involved in the merger or acquisition will not be used in Minimum Annual Revenue Commitment (MARC) as discussed in Southwestern Bell Telephone Company Tariff F. C. C. NO. 73 Section 38.3 (C), except as permitted by one of the provisions in this subsection.

The Customer must be meeting its current MVP MARC commitments (or be current in paying any shortfall between the Annual MARC and actual Annual Billing) and all Eligibility Criteria and Terms and Conditions outlined in Sections 41.35.3 and 41.35.4 in order to exercise the provisions under this subsection.

Recurring revenue from MVP qualified access services from the other entity involved in the merger or acquisition cannot be used for any incentives or discounts contained in this Contract Offer except as permitted by one of the provisions outlined in this subsection.

The Customer shall have four (4)one-time choices (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise any of the provisions in this subsection by the times specified in relation to the Transaction Close Date, the Customer will not be permitted to use existing or future MVP qualified access services revenues from the other company or companies or operating business or businesses involved in the merger or acquisition in the Minimum Annual Revenue Commitment in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (C)

The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. 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 or operating business have been purchased.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

If the Customer has selected one of the provisions in this subsection, the MARC adjustment calculation, as detailed in the Minimum Annual Revenue Commitment in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (C), will be calculated as provided in the provision of the subsection that Customer has selected.

The Customer cannot combine any of the Merger and Acquisition provisions in this subsection.

The Telephone Company will calculate MVP qualified access services revenue of the other company or operating business involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection. The MVP qualified access services revenue will be determined by calculating the prior three (3) months recurring revenue for all of the other company or operating business involved in the merger or acquisition multiplied by four (4).

41.35.8.1 Merger and Acquisition Provisions

(A) Mergers and Acquisitions – Access Services Ratio Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets constituting an operating business to any other entity, or purchases all stock or substantially all stock or assets constituting an operating business of another company, and inclusion of the recurring revenue from MVP qualified access services from the other company or companies or operating business or businesses involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Customer Obligations, as defined in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (B), and Access Service Ratio in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (D), the Customer must select from Option 1 or 2 below in order to receive incentives and discounts for the other company or operating business involved in the merger or acquisition under this Contract Offer.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions - Access Services Ratio Impacting (Cont'd)

The Customer must fully comply with the Access Services Ratio Terms and Conditions within 18 months of the Transaction Close Date, and must comply with the Access Conversion Schedule outlined in Table A below. As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Customer Obligations, as defined in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (B) (in the case of any shortfall in meeting the MARC, be in compliance with requirements to pay any shortfall between the Annual MARC and actual Annual Billing), and Access Service Ratio in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (D), the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Customer Obligations, as defined in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (B), and Access Service Ratio in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (D).

If, at any time, the Customer does not comply with the Access Conversion Schedule outlined in Table F below, MVP Commitment Discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will have 30 days to comply with the Access Conversion Schedule. If the Customer does not comply within 30 days, this Contract Offer will be considered in default, and the Telephone Company shall have the right to terminate this Contract Offer, and termination liability charges will apply as detailed in Section 41.35.9. Notwithstanding the foregoing, if the Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, then the MVP Commitment Discounts will continue to apply and the Customer shall not be considered out of compliance with the Customer Obligations, as defined in Southwestern Bell Telephone

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

Company Tariff F. C. C. No. 73 Section 38.3 (B), and Access Service Ratio in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (D), and the contract will not be considered in default; however, each party shall take all reasonable steps to comply as soon as possible.

Table A outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table A: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5th	85%
6th	100%

[1] See footnote (1) on page 41-275.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(1) Option 1

(a) The Customer establishes a temporary MARC by adding 85% but not more than 100% (depending on the Customer's selection) of MVP qualified access services recurring revenue from the other company or operating business involved in the merger or acquisition billed by the Telephone Company to the Customer's existing MARC, as outlined below, for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in the final year of the Contract Term Period of this Contract Offer.

(d) The temporary MARC will be calculated by taking the last 3 months of applicable monthly recurring MVP qualified access services revenue for the other company or operating business involved in the merger or acquisition (from the date this option is selected) multiplied by four (4), multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 18 months following the Transaction Close Date using the following calculation.

(i) The last 3 months (at the time of the calculation) of monthly recurring MVP qualified access services revenue for the other company involved in the merger or acquisition multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of temporary MARC as defined in Section 41.35.8.1 (B) (1) (d).

[1] See footnote (1) on page 41-275.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions(Cont'd)

(A) Mergers and Acquisitions – Access Service Ratio Impacting (Cont'd)

(2) Option 2

(a) The Customer must add at least 85% but no more than 100% (depending on the Customer's selection) of MVP qualified access services recurring revenue from the other company or operating business involved in the merger or acquisition billed by the Telephone Company to the Customer's existing MARC, as outlined below, for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months following the Transaction Close Date

(c) This option is not available during the final year of the Contract Term Period of this Contract Offer.

(d) The MARC will be set by taking the last three (3) months of applicable monthly recurring MVP qualified access services revenue from the other company or operating business involved in the merger or acquisition (on the date this option is selected) multiplied by four (4) and multiplied by 85% to 100% (depending on the Customer's selection), and adding to that the Customer's existing MARC.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets constituting an operating business to any other entity, or purchases all stock or substantially all stock or assets constituting an operating business of another company, and inclusion of recurring revenue from MVP qualified access services from the other company or companies involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below the Customer Obligations, as defined in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (B), (in the case of any shortfall in meeting the MARC, be in compliance with any requirements to pay any shortfall between the Annual MARC and actual Annual Billing), and Access Service Ratio in Southwestern Bell Telephone Company Tariff F. C. C. No. 73 Section 38.3 (D), the Customer must select from option 3 or 4 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

(1) Option 3

(a) The Customer establishes a temporary MARC by adding 90% to 100% (depending on the Customer's selection) of MVP qualified access services revenue from the other company or operating business involved in the merger or acquisition used to calculate the MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 - MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions(Cont'd)

(B) Mergers and Acquisitions - Access Services Ratio Not Impacting (Cont'd)

(1) Option 3 (Cont'd)

(c) This option is not available during the final year of the Contract Term Period of this Contract Offer.

(d) The temporary MARC will be established by taking the last three (3) months of applicable monthly recurring MVP qualified access services revenue for the other company or operating business involved in the merger or acquisition (from the date this option is selected) multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection). This amount will be added to the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 12 months following the Transaction Close Date using the following calculation:

(i) The last three (3) months (at the time of the calculation) of monthly recurring MVP qualified access services revenues from the other company or operating business involved in the merger or acquisition multiplied by four (4), and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 90% of the temporary MARC as defined Section 41.35.8.1 (C) (4).

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35- MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.8 Mergers and Acquisitions (Cont'd)

41.35.8.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(2) Option 4

(a) The Customer must add at least 90% but no more than 100% (depending on the Customer's selection) of MVP qualified access services recurring revenue from the other company or operating business involved in the merger or acquisition billed by the Telephone Company to the Customer's existing MARC, to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months of the Transaction Close Date.

(c) This option is not available during the final year of the Contract Term Period of this Contract Offer.

(d) The MARC will be set by taking the last three (3) months of applicable monthly recurring MVP qualified access services revenue from the other company or operating business involved in the merger or acquisition (on the date this provision is selected) multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection), and adding to that the Customer's existing MARC.

[1] See footnote (1) on page 41-275.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.35 Contract Offer No. 35 – MVP DS1, DS3 and [1] Service Offer (Cont'd)

41.35.9 Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language described in Southwestern Bell Tariff F.C.C. No. 73, Section 7.2 for DS1 High Capacity Service, Section 20.4.6 for DS3 Megalink Customer Service and Section 40.2 for [1] Services.
If the Customer terminates service under this Contract Offer before the completion of the Term Period, for any reason whatsoever, the Customer agrees to pay the Telephone Company termination liability charges described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification 60 days prior to the desired date of termination to the Telephone Company.

If the Customer fails to meet any of the eligibility criteria in Section 41.35.3 or fails to maintain any of the Terms and Conditions in section 41.35.4, the Customer will be deemed to have terminated its participation in Contract Offer No. 35, and termination liability charges will apply, as stated below, and will be payable pursuant to F.C.C. No. 2 , Section 2.4.

Customers termination liability shall be equal to:

(A) 100% of all Discounts received under this Contract Offer No. 35 during the six (6) months immediately prior to the date of termination, plus

(B) 25% of the CARC for each year in the remaining portion of the Term Period.

Any previous gap payments paid by the customer will be forfeited.

Example C:

The Customer signs up for Contract Offer No. 35 and it begins April 1, 2005. The Customer terminates its participation in Contract Offer No. 35 effective August 15, 2006. The termination liability charge that would apply is calculated as follows:

Annual CARC= $12M
Monthly CARC= $12M/12 months = $1M
Number of months remaining in contract= 15.5
Remaining value of CARC=15.5 x$1M= $15.5M
25 % of remaining value of CARC = .25 x$15.5M= $3.875M
February 2006 - July 2006 discounts= $500K

Total Termination Liability Charge = $3.875M + $500K = $4.375M

[1] See footnote (1) on page 41-275.

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41. Pricing Flexibility Contract Offerings

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer

41.36.1 General Description

MegaLink Custom Service Offer (Contract Offer No. 36) is an access pricing discount plan that permits Customers located in the El Paso Metropolitan Statistical Area to pay discounted rates, as listed in Section 41.36.4 for the purchase of one MegaLink Custom Service.

Contract Offer No. 36 is only available between February 25, 2005, through March 25, 2005. This Offer is not renewable.

41.36.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive the MegaLink Custom Service Contract Offer No. 36:

(1) Service must be located in the following Pricing Flexibility Metropolitan Statistical Area: El Paso, TX;

(2) All traffic must originate or terminate at a Mobile Switching Center (MSC); and

(3) Service must be a new installation.

(B) Contract Offer No. 36 applies to pricing-flexibility-qualified access services contained in the following tariff section:

(1) MegaLink Custom Service (DS3)– Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 20.5.

(C) All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer (Cont'd)

41.36.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is one (1) year commencing on the date billing begins. Billing commences no later than 30 days after the Telephone Company's completion of the access service order.

If, at the expiration of the Term Period, Customer elects to continue service, Customer shall select from payment options described in Section 20.5 for all services provided under Contract Offer No.36. If the Customer does not elect an option, the services will be converted to the prevailing monthly extension rates, in Section 20.5, as applicable.

Rate stability under this Contract Offer Term Period applies only to the rates specific to Contract Offer No. 36 as listed in Section 41.36.4. Purchase of the services listed above under Contract Offer No. 36 are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 20 for MegaLink Custom Services, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 36.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer (Cont'd)

41.36.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Contract Offer No. 36 is only available between February 25, 2005, through March 25, 2005;

(2) Customer must submit a Letter of Subscription (LOS) to the Telephone Company;

(3) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS and /or Access Service Request (ASR), 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;

(4) If the Customer should discontinue service under Contract Offer No. 36 at any time during the Term Period, termination liability charges will apply in accordance with Section 41.23.5;

(5) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 36, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangements, node moves, ring design provisioning changes and customer premise rearrangements;

(6) If the Customer requests additional service features and functions not included in Section 41.36.4, herein, the Customer will pay the tariff rates for those additions as contained in Section 20-MegaLink Custom Services;

(7) Customer may not resell any capacity on services covered under Contract Offer No. 36 to a third party;

(8) Services under Contract Offer No. 36 will not be eligible for benefits under the Managed Value Plan (MVP) offering in Section 38;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer (Cont'd)

41.36.3 Terms and Conditions (Cont'd)

(B) (Cont'd)

(9) Customer will not be able to subscribe to any future contract offerings in Section 41 in conjunction with services offered under Contract Offer No. 36;

(10) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 36 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer (Cont'd)

41.36.4 Rates and Charges

MegaLink Custom Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC) for the MegaLink Custom Service:

Monthly Recurring Charge (MRC):
MegaLink Custom Service$1,500.00

The MRC for the MegaLink Custom Service includes the following components:

Rate Element	USOC	Quantity
Channel Termination	TUZPX	1

Non-recurring charges:

Non-recurring charges (NRC) for the MegaLink Custom Service can be referenced in F.C.C. No. 73 Section 20.5, as applicable.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.36 Contract Offer No. 36 – MegaLink Custom Service Offer (Cont'd)

41.36.5 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Section 20.4.6. If the Customer terminates Contract Offer No. 36 before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.36.2, or the Terms and Conditions in Section 41.36.3. 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:

50% of all recurring charges for the balance of the Customer's one (1) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in billing) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $1,000 monthly recurring rate terminates service after five (5) months and has seven (7) months remaining in a one (1) year term plan. The termination liability would be calculated as:

$1,000 X 7 X 50% = $3,500 termination liability charge.

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 - Self Healing Transport Network (STN)

41.37.1 General Description

Self Healing Transport Network (STN)(Contract Offer No. 37)is an access discount pricing plan that permits Customers located in Phase 1 Pricing Flexibility Metropolitan Statistical Areas, (hereafter referred to as MSAs) to receive the discounts on a renewal of three (3) existing Self Healing Transport Network (STN)services: Volume Option 24 with 2 additional Central Office (CO) nodes, Volume Option 12 with two (2) additional Central Office (CO) nodes and a Volume Option 6, as described in Section 41.37.5 (A) herein. The Customer must meet the eligibility criteria described in Section 41.37.3. Discounts are available based on the terms and conditions contained in Section 41.37.4. This Contract Offer is available in the MSAs listed in Section 41.37.4(B)1 and is only available February 25, 2005 through March 25, 2005.

41.37.2 Services Available Under Contract Offer No. 37

(A) Contract Offer No. 37 applies to pricing flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company Self Healing Transport Network (STN) - Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section 39.5.2.11.

All terms and conditions for the qualified services listed above are governed by the respective tariff sections as noted herein.

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 – Self Healing Transport Network (STN) (Cont'd)

41.37.3 Contract Offer No. 37 - Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive Contract Offer No. 37 discounts:

(1) Service must be a pricing –flexibility-qualified service listed in Section 41.37.2(A);
(2) Service must be located in the MSAs listed in Section 41.37.4 (B) (1);
(3) Customer must renew an existing Self Healing Transport Network (STN) Volume Option 24 with 2 additional CO nodes;
(4) Customer must renew an existing Self Healing Transport Network (STN) Volume Option 12 with 2 additional CO nodes, and;
(5) Customer must renew an existing Self Healing Transport Network (STN) Volume Option 6.

41.37.4 Contract Offer No. 37 - Terms and Conditions

(A) Term Period

The contract term (Term Period)is five (5) years commencing on the date billing begins. Billing commences no more than 30 days following the Telephone Company's completion of the service order. This offer is not renewable.

If the Customer elects to continue service at the expiration of the Term Period, the Customer must select from payment options outlined in Section 19.4 for Phase 1 MSAs and Section 39.5.2.11, for Phase 2 MSAs. If the Customer does not elect an option, the Telephone Company will convert the Customer to the prevailing monthly extension rates in Section 19.4 for Phase 1 MSAs and Section 39.5.2.11, for Phase 2 MSAs.

Rate stability under Contract Offer No. 37 applies only to the rates specific to this Contract Offer as outlined in Table A in Section 41.37.5. Purchase of the Subject Services listed above are also subject to certain rates and charges in Sections 2-General Regulations, 5-Ordering Options for Switched and Special Access Service, 13-Additional Engineering, Additional Labor & Miscellaneous Services and 39-Metropolitan Statistical Area Access Services (as related to rates referred to in Section 39.5), as applicable. Such rates and charges may be modified through the filing of tariff changes at any time during the Term Period.

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 – Self Healing Transport Network (STN) (Cont'd)

41.37.4 Contract Offer No. 37 - Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Contract Offer No. 37 is only available for facilities located in the following Metropolitan Statistical Areas: Wichita KS, Kansas City, MO, and Dallas, TX.

(2) Contract Offer No. 37 is only available February 25, 2005 through March 25, 2005.

(3) If the Customer should discontinue service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.37.6.

(4) Customer must subscribe to the Subject Services available under Contract Offer No. 37 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched & Special Access Service.

(5) Customer must place access service order to renew the following existing Self Healing Transport Network (STN) services: Volume Option 24 with 2 additional CO nodes; Volume Option 12 with 2 additional CO nodes and; Volume Option 6.

(6) Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(7) If, after the Telephone Company receives the Letter of Subscription (LOS), but before service begins, the Customer cancels the LOS, cancellation charges will apply. The Customer must pay the cancellation charges, which are the actual costs incurred by the Telephone Company up to the date of cancellation.

(8) Customer will not be able to subscribe to any future contract offerings in Section 41 in conjunction with this Contract Offer No. 37 that might be offered by the Telephone Company for services covered under this Contract Offer No. 37.

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 – Self Healing Transport Network (STN) (Cont'd)

41.37.4 Contract Offer No. 37 - Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(9) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 37 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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.

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 – Self Healing Transport Network (STN) (Cont'd)

41.37.5 Contract Offer No. 37 Term Discounts

(A) The customer must pay the Monthly Recurring Charges (MRC) and Non-Recurring Charges (NRC) for the following Rate Elements.

Table A

Rate Element- Self-Healing Transport Network (STN)	**Total Monthly Recurring Charge (MRC)**	**Non-Recurring Charge (NRC)**
Volume Option 24 with 2 additional CO nodes	$33,148	$0
Volume Option 12 with 2 Additional CO nodes	$21,376	$0
Volume Option 6	$5,396	$0

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41. Pricing Flexibility Contract Offerings

41.37 Contract Offer No. 37 – Self Healing Transport Network (STN) (Cont'd)

41.37.6 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability language contained in Section 19.3.15. If Customer terminates Contract Offer No. 37 before the completion of the Term Period for any reason, the Customer must pay The Telephone Company termination liability charges as described below. If the customer is not in compliance with the Eligibility Criteria in Section 41.37.3 or the Terms and Conditions in Section 41.37.4, termination liability charges will apply. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described in section 19.3.15. Customer's termination liability charges for termination of service shall be equal to:

- 50% of all recurring charges for the balance of the Customers five (5) year Term Period for the Subject Service that the customer has terminated.

The termination liability charge will be calculated as follows:

(Tariff Monthly Recurring Charges) multiplied by (Month Remaining in billing) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) month remaining in a sixty (60) month term plan. The termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

- All remaining in-service Subject Services will convert back to the prevailing tariff rates at the term that the customer signed up for. Prevailing tariff rates are highlighted in Section 19.4 for Phase 1 MSAs and Section 31.5.2.11 for Phase 2 MSAs.

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 38 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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41. [1]

[1] See footnote (1) on page 41-306.

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41. [1]

[1] See footnote (1) on page 41-306.

41. [1]

[1] See footnote (1) on page 41-306.

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[1] See footnote (1) on page 41-306.

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[1] See footnote (1) on page 41-306.

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41. [1]

[1] See footnote (1) on page 41-306.

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41. [1]

[1] See footnote (1) on page 41-306.

41. [1]

[1] See footnote (1) on page 41-306.

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41. Pricing Flexibility Contract Offerings

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Service Offer

41.39.1 General Description

Self Healing Transport Network (STN) Volume Option 3 Service Offer (Contract Offer No. 39) is an access discount pricing offer that permits Customers located in the Little Rock, Arkansas Metropolitan Statistical Area to received discounts on an existing STN Volume Option 3 Service at the rates listed in Section 41.39.5, herein.

Contract Offer No. 39 is only available March 23, 2005 through April 23, 2005. This offer is not renewable.

41.39.2 Eligibility Criteria

The following eligibility criteria must be met in order to receive discounts under Contract Offer:

(A) Services must be located in the following Pricing Flexibility Metropolitan Statistical Area: Little Rock, AR

(B) Contract Offer No. 39 applies to Phase II pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff section:

Self Healing Transport Network (STN) Service (Volume Option 3) – Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.11.

(C) The Customer’s existing embedded configuration base services must include one (1) STN Volume Option 3 service with transport at no more than 16 miles.

All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.39.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date billing begins. Billing commences no later than 30 days after the Telephone Company's completion of the access service order. This offer is not renewable.

At the expiration of the Customer's contract Term Period, services provided under this Contract Offer will be converted to the prevailing five (5) year term tariff rates as specified in Section 39.5.2.11. If the Customer chooses not to continue services pursuant to this Contract Offer, the Customer must terminate services within 30 days of expiration of the Term Period.

Purchase of the services under this Contract Offer are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for STN Option 3 services. Such terms and conditions may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer No 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.39.3 Terms and Conditions Cont'd

(B) Contract Offer No. 39 is only available March 23, 2005 through April 23, 2005.

(C) In order to subscribe to Contract Offer No. 39, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) If the Customer should discontinue service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.39.6, herein.

(E) If, after the Telephone Company receives the Letter of Subscription (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.

(F) If the Customer requests additional services not included in Section 41.39.5 herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitan Statistical Area Access Services.

(G) Service must be an existing STN Volume Option 3 with transport not to exceed 16 miles.

(H) This Contract Offer cannot be combined with any other current promotional discount, contract offer, or future offerings.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 - Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.39.4 Assign and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 39 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.39.5 Rates and Charges

(A) STN Volume Option 3 Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC):

Rate Element	USOC	Quantity	Discount
STN Basic Volume Option 3 Configuration	SHKBX	1	47%
STN Transport (per airline mile)	1T5QS	0-16	47%
Multiplexing, per multiplexer	MKQ	3	47%

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Offer Cont'd

41.39.6 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability language contained in Section 19.3.15. If Customer terminates Contract Offer No. 39 before the completion of the term period for any reason, except as noted in Section 41.39.7 herein, 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 41.39.2 or the Terms and Conditions in Section 41.39.3. 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:

50% of all recurring charges for the balance of the Customer's five (5) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $20,000 monthly recurring rate terminates service after thirty-six (36) months and has twenty-four (24) months remaining in a sixty (60) month term plan. The termination liability would be calculated as:

$20,000 X 24 X 50% = $240,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd

41.39 Contract Offer No. 39 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.39.7 Excessive Service Outage Termination

An Excessive Service Outage occurs when the Customer's Self-Healing Transport Network (STN) experiences simultaneous equipment service interruptions of both the working and protection path of the network and the service interruptions have not been excepted from treatment for a credit allowance under F.C.C. No. 73, Section 2. The Customer may terminate its subscription to the STN Option 3 service which incurred the outage(s) without incurring termination liability charges, if applicable, if one or both of the following conditions apply:

(1) If during any consecutive six (6) month period there are more than two (2) Excessive Service Outages on an individual STN; and/or
(2) Excessive Service Outage accumulation of a total of twelve (12) hours in any thirty-calendar-day (30) period on an individual STN.

The Customer must provide written notice to the Telephone Company of its intent to terminate service within thirty (30) calendar days of the third (3rd) or any subsequent Excessive Service Outage within the same consecutive twelve (12) month period. Such termination will be effective within two hundred and forty (240) calendar days following delivery of written notice to the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.40 Contract Offering No. 40 – ReliaNet Service Offer

41.40.1 General Description

Contract Offer No. 40 – ReliaNet Service Offer is an access discount pricing plan that provides the Customer with discounted rates on existing ReliaNet MAC Opt.-A [SVO(48)] facilities. Qualified services under Contract Offer No. 30 are only available in Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSA) as described in Section 41.40.3. Customer must meet eligibility criteria as described in Section 41.40.3. This Contract Offer is only available for subscription March 31, 2005 through April 30, 2005. This offer is not renewable.

41.40.2 Subject Services

Contract Offer No. 40 applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff section:

(1) ReliaNet Service - Southwestern Bell Telephone Company Tariff F.C.C. 73, Section 39.5.2.13

All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

41.40.3 Eligibility Criteria

The following eligibility criteria must be met in order to purchase Subject Services pursuant to Contract Offer No. 40:

(A) Service must be located in the following Pricing Flexibility MSA: Little Rock, AR

(B) The Customer's existing services configuration must include two (2) ReliaNet MAC Opt.-A [SVO(48)] facilities.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.40 Contract Offering No. 40 – ReliaNet Offer (Cont'd)

41.40.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is for two (2) years commencing on the date the Telephone Company receives the completed Letter of Subscription from the Customer.

If the Customer elects to continue services at expiration of the Term Period the Customer may choose from the payment options described in Section 39.

If the Customer does not elect an option described above at the expiration of the Term Period, the Subject Services will be converted to the prevailing applicable monthly extension rates found in Section 39.

(B) Terms and Conditions

(1) Contract Offer No. 40 is only available for subscription April 1, 2005 through April 30, 2005.

(2) Rate stability under the Term Period applies only to the rates specific to Contract Offer No. 40, as listed in Section 41.40.7.

(3) Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(4) Customer will not be able to subscribe to or include Subject Services in any future promotional, contract offering, or discount plan in conjunction with this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.40 Contract Offering No. 40 – ReliaNet Offer (Cont'd)

41.40.5 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under Contract Offer No. 40 pursuant to F.C.C. No. 73, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (b) 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 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 "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.

41.40.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 of 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.40 Contract Offering No. 40 – ReliaNet Offer (Cont'd)

41.40.7 Rates and Charges

Customer must pay the Monthly Recurring Charge (MRC) for each rate element listed in Table A. Any rate elements not described below will continue to be billed at tariff rates as described in Section 39.

Table A – Monthly Recurring Charges for Subject Services:

Rate Element	**Applicable USOC**	**MRC**
per MAC Opt.-A [SVO(48)]	N8P	$21,042.63

41.40.8 Termination Liability

If Customer terminates Contract Offer No. 40, the termination liability language contained below applies in lieu of termination liability language contained in Section 31. Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates Contract Offer No. 40 before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions described in Section 41.40.4. These charges shall become due as of the effective date of the termination and are payable within 30 days of the billing invoice date. Customer's termination liability charges for termination of service shall be equal to:

50% of all monthly recurring charges for the balance of the Customer's two (2) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months Remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after six (6) months and has eighteen (18) months remaining in a twenty-four (24) month term period, then the termination liability would be calculated as:

$200,000 X 18 months X 50% = $1,800,000 Termination Liability

41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special Access Service Offer

41.41.1 General Description

Contract Offer No. 41 – Special Access Service Offer is an access discount pricing plan that provides the Customer with discounted rates on existing facilities configured as shown in Section 41.41.3 (C). Discounted rates will also apply to the purchase of new facilities configured as described in Section 41.41.4. Customer must meet eligibility criteria as described in Section 41.41.3. Qualified services under Contract Offer No. 41 are only available in Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSA) as described in Section 41.41.3 (A). This Contract Offer is only available for subscription April 1, 2005 through April 30, 2005. This offer is not renewable.

41.41.2 Subject Services

Contract Offer No. 41 applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) [1] Service – Southwestern Bell Telephone Company Tariff F.C.C. 73, Section [1] for Phase I MSA's and Section [1] for Phase II MSA's;

(2) Self Healing Transport Network (STN)- Southwestern Bell Telephone Company Tariff F.C.C. 73, Section 19 for Phase I MSA's and Section 39.5.2.11 for Phase II MSA's;

(3) ReliaNet Service - Southwestern Bell Telephone Company Tariff F.C.C. 73, Section 31 for Phase I MSA's and Section 39.5.2.13 for Phase II MSA's

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. OCN PTP 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. 41 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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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special Access Service Offer

41.41.3 Eligibility Criteria

The following eligibility criteria must be met in order to purchase Subject Services pursuant to Contract Offer No. 41:

(A) Service must be located in the following Pricing Flexibility MSA: Tulsa, OK;

(B) Customer must purchase twelve (12) STN Digital Transmission Links(DTLs) and/or Volume Options(VO’s), in accordance to Section 41.41.4(B)(3) herein, as Additional DTL or STN Volume Options; and

(C) The Customer’s existing services configuration must include:

(1) One (1) [1] circuit; and

(2) One (1) STN DTL Volume Option 12 Basic Configuration; and

(3) One (1) STN DTL Volume Option 6 Basic Configuration; and

(4) Six (6) ReliaNet MAC–Opt. B [SVO (6)] and subtending facilities.

[1] See footnote (1) on page 41-326.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special Access Service Offer

41.41.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is for five (5) years commencing on the date the Telephone Company receives the completed Letter of Subscription from the Customer. The Term Period for the existing embedded base Subject Services, as described in 41.41.3(C)(3) and (C)(4), herein, will commence on the effective date of the Term Period of this Contract Offer.

If the Customer elects to continue services at expiration of the Term Period the Customer may:

(1) Extend the rates, terms and conditions of this Contract Offer for only one additional two (2) year term by written notification to the Telephone company 60 days prior to the end of the Term Period; or
(2) Select from the payment options described in Section 19, Section 31, and Section [1] for services in Phase I MSAs and Section 39 for services in Phase II MSAs.

If the Customer does not elect an option described above at the expiration of the Term Period, the Subject Services will be converted to the prevailing applicable monthly rates found in Section 39.

[1] See footnote (1) on page 41-326.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special and Switched Access Service Offer

41.41.4 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Contract Offer No. 41 is only available for subscription April 1, 2005 through April 30, 2005.

(2) Customer must disconnect one (1) STN DTL Volume Option 12 Basic Configuration within 90 days of the effective date of the Term Period for this Contract Offer.

(3) Customer must purchase twelve (12) new DTL's and/or VO's billed in increments as follows:

(a) Three (3) additional DTL's to existing STN Volume Option 6 initially upon the effective date of the Term Period; and
(b) Three (3) DTL's/VO's 3 by July 1, 2005; and
(c) Three (3) DTL's/VO's by January 1, 2006; and
(d) Three (3) DTL's/VO's by April 1, 2006.

(4) Customer must subscribe to the Subject Services available under this Contract Offer in accordance with the regulations set forth in Section 5–Ordering Options for Switched and Special Access Service.

(5) Purchase of the Subject Services listed above under Contract offer No. 41 are also subject to certain rates, charges and general terms and conditions in other section of Tariff F.C.C. No. 73 set forth in Sections 2-General Regulations, 5-Ordering Options for Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of a tariff change at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract No. 41.

(6) Rate stability under the Term Period applies only to the rates specific to Contract Offer No. 41, as listed in Section 41.41.7.

(7) Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special Access Service Offer

41.41.4 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(1) Customer will not be able to subscribe to or include Subject Services in any future promotional, contract offering, or discount plan in conjunction with this Contract Offer, except as provided for in 41.41.4(C) herein.

(2) If Customer should discontinue service under Contract Offer No. 41 during the Term Period, termination liability charges will apply in accordance with Section 41.41.8, with the exception of 41.41.4(C) herein.

(C) Upgrade Option

Customer may elect to upgrade Subject Services and subscribe to a new Contract Offer for the same Subject Services under this Contract Offer without incurring termination liability, as described in Section 41.41.8 herein. If Customer chooses to upgrade Subject Services, the Customer must meet the following criteria prior to subscription to the new Contract Offer:

(1) Customer must meet all terms and conditions as set forth in Section 41.41.4, herein; and

(2) Customer must so elect in writing; and

(3) Customer must be upgrading its purchased Subject Services such that the new term period is at least five (5) years; and

(4) The upgraded Subject Services must have monthly billing that exceeds the monthly billing of the Subject Services of this Contract Offer.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 - Special Access Service Offer

41.41.5 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under Contract Offer No. 41 pursuant to F.C.C. No. 73, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (b) 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 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 "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.

41.41.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 of 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.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special Access Service Offer

41.41.7 Rates and Charges

Customer must pay the Monthly Recurring Charge (MRC) for each rate element listed in Table A and Table B below. Any rate elements not described below will continue to be billed at tariff rates as described in Section 19, Section 31 and Section [1] for services located in Phase I MSA's and Section 39 for services located in Phase II MSA's.

Table A – Monthly Recurring Charges for Subject Services, existing and new:

Rate Element	Applicable USOC	MRC
ReliaNet		
AC Off-Net DS1	NOF14	$48.28
AC Intra-MAC DS3	NOCXX	$620.90
AC On-Net DS3	NOLXX	$886.44
AC Off-Net DS3	NOFXX	$242.82
AC On-Net OC-3c	NOLXX	$1,743.05
MAC Opt.-B [SVO (6)]	N8PBX	$4,126.88
Self Healing Transport Network (STN)		
DTL Volume Option 6 Basic Configuration	SHKBX	$1,440.00
Transport, per airline mile	1T5QS	$21.60
Sonet Interface Option OC-3	SBW3C	$132.00
Add'l DTL added to Basic Configuration		
1st DTL per order	SH3BX	$330.00
Each Add'l DTL per same order	SH3BA	$330.00

Table B – Monthly Recurring Charges for existing [1] Subject Services. Discounted Rates only apply through the remainder of existing term on Subject Services and do not apply to the purchase of new Subject Services.

Rate Element	Applicable USOC	MRC
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Non Recurring Charges (NRC) for new services will apply as described in Section 19, Section 31 and Section [1] for services located in Phase I MSA's and Section 39 for services located in Phase II MSA's.

[1] See footnote (1) on page 41-326.

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41. Pricing Flexibility Contract Offerings

41.41 Contract Offering No. 41 – Special and Switched Access Service Offer

41.41.8 Termination Liability

If Customer terminates Contract Offer No. 41, the termination liability language contained below applies in lieu of termination liability language contained in Section 19 and Section 31. Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates Contract Offer No. 41 before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions in Section 41.41.4. These charges shall become due as of the effective date of the termination and are payable within 30 days of the billing invoice date. Customer's termination liability charges for termination of service shall be equal to:

50% of all monthly recurring charges for the balance of the Customer’s five (5) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months Remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) month remaining in a sixty (60) month term period, then the termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.1 General Description

Contract Offer No. 42 – Special Access Service Offer is an access discount pricing plan that provides the Customer with discounted rates on existing facilities configured as shown in Section 41.42.3 (C). Discounted rates will also apply to the purchase of new facilities configured as described in Section 41.42.4. Customer must meet eligibility criteria as described in Section 41.42.3. Qualified services under Contract Offer No. 42 are only available in Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSA) as described in Section 41.42.3 (A). This Contract Offer is only available for subscription April 14, 2005 through May 14, 2005. This offer is not renewable.

41.42.2 Subject Services

Contract Offer No. 42 applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) [(1)] Service – Southwestern Bell Telephone Company Tariff F.C.C. 73, Section [(1)] for Phase I MSA's and Section [(1)] for Phase II MSA's;

(2) Self Healing Transport Network (STN)- Southwestern Bell Telephone Company Tariff F.C.C. 73, Section 19 for Phase I MSA's and Section 39.5.2.11 for Phase II MSA's;

(3) ReliaNet Service - Southwestern Bell Telephone Company Tariff F.C.C. 73, Section 31 for Phase I MSA's and Section 39.5.2.13 for Phase II MSA's

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. OCN PTP 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. 42 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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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.3 Eligibility Criteria

The following eligibility criteria must be met in order to purchase Subject Services pursuant to Contract Offer No. 42:

(A) Service must be located in the following Pricing Flexibility MSA: Tulsa, OK;

(B) Customer must purchase twelve (12) STN Digital Transmission Links(DTLs) and/or Volume Options(VO's), in accordance to Section 41.42.4(B)(3) herein, as Additional DTL or STN Volume Options; and

(C) The Customer's existing services configuration must include:

(1) One (1) [1] circuit; and

(2) One (1) STN DTL Volume Option 12 Basic Configuration; and

(3) One (1) STN DTL Volume Option 6 Basic Configuration; and

(4) Six (6) ReliaNet MAC-Opt. B [SVO (12)] and subtending facilities.

[1] See footnote (1) on page 41-334.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is for five (5) years commencing on the date the Telephone Company receives the completed Letter of Subscription from the Customer. The Term Period for the existing embedded base Subject Services, as described in 41.42.3(C)(3) and (C)(4), herein, will commence on the effective date of the Term Period of this Contract Offer.

If the Customer elects to continue services at expiration of the Term Period the Customer may:

(1) Extend the rates, terms and conditions of this Contract Offer for only one additional two (2) year term by written notification to the Telephone company 60 days prior to the end of the Term Period; or
(2) Select from the payment options described in Section 19, Section 31, and Section [1] for services in Phase I MSAs and Section 39 for services in Phase II MSAs.

If the Customer does not elect an option described above at the expiration of the Term Period, the Subject Services will be converted to the prevailing applicable monthly rates found in Section 39.

[1] See footnote (1) on page 41-334.

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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.4 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Contract Offer No. 42 is only available for subscription April 14, 2005 through May 14, 2005.

(2) Customer must disconnect one (1) STN DTL Volume Option 12 Basic Configuration within 90 days of the effective date of the Term Period for this Contract Offer.

(3) Customer must purchase twelve (12) new DTL's and/or VO's billed in increments as follows:

(a) Three (3) additional DTL's to existing STN Volume Option 6 initially upon the effective date of the Term Period; and
(b) Three (3) DTL's/VO's 3 by July 1, 2005; and
(c) Three (3) DTL's/VO's by January 1, 2006; and
(d) Three (3) DTL's/VO's by April 1, 2006.

(4) Customer must subscribe to the Subject Services available under this Contract Offer in accordance with the regulations set forth in Section 5–Ordering Options for Switched and Special Access Service.

(5) Purchase of the Subject Services listed above under Contract offer No. 42 are also subject to certain rates, charges and general terms and conditions in other section of Tariff F.C.C. No. 73 set forth in Sections 2-General Regulations, 5-Ordering Options for Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of a tariff change at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract No. 42.

(6) Rate stability under the Term Period applies only to the rates specific to Contract Offer No. 42, as listed in Section 41.42.7.

(7) Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.4 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(8) Customer will not be able to subscribe to or include Subject Services in any future promotional, contract offering, or discount plan in conjunction with this Contract Offer, except as provided for in 41.42.4(C) herein.

(9) If Customer should discontinue service under Contract Offer No. 42 during the Term Period, termination liability charges will apply in accordance with Section 41.42.8, with the exception of 41.42.4(C) herein.

(C) Upgrade Option

Customer may elect to upgrade Subject Services and subscribe to a new Contract Offer for the same Subject Services under this Contract Offer without incurring termination liability, as described in Section 41.42.8 herein. If Customer chooses to upgrade Subject Services, the Customer must meet the following criteria prior to subscription to the new Contract Offer:

(1) Customer must meet all terms and conditions as set forth in Section 41.42.4, herein; and

(2) Customer must so elect in writing; and

(3) Customer must be upgrading its purchased Subject Services such that the new term period is at least five (5) years; and

(4) The upgraded Subject Services must have monthly billing that exceeds the monthly billing of the Subject Services of this Contract Offer,

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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.5 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under Contract Offer No. 42 pursuant to F.C.C. No. 73, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (b) 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 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 "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.

41.42.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 of 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.

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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.7 Rates and Charges

Customer must pay the Monthly Recurring Charge (MRC) for each rate element listed in Table A and Table B below. Any rate elements not described below will continue to be billed at tariff rates as described in Section 19, Section 31 and Section [1] for services located in Phase I MSA's and Section 39 for services located in Phase II MSA's.

Table A – Monthly Recurring Charges for Subject Services, existing and new:

Rate Element	**Applicable USOC**	**MRC**
ReliaNet		
MAC Opt. B [SVO (12)]	N8PBX	$4,126.88
AC On-Net DS1 (Opt. 1)	NOLXX	$119.28
AC On-Net DS1 (opt. 2)	NYAXX	$119.28
AC On-Net DS3 (Opt. 1)	NOLXX	$886.44
AC On-Net OC-3C (Opt. 1)	NOLXX	$1,743.05
AC Intra-MAC DS1	NOCXX	$71.00
AC Intra-MAC DS3	NOCXX	$620.90
AC Intra-MAC OC-3C	NOCXX	$2,130.00
AC Off-Net DS1	NOF14	$48.28
AC Off-Net DS3	NOFXX	$242.82
Self Healing Transport Network (STN)		
DTL Volume Option 6 Basic Configuration	SHKBX	$1,440.00
Transport, per airline mile	1T5QS	$21.60
Sonet Interface Option OC-3	SBW3C	$132.00
Add'l DTL added to Basic Configuration		
1st DTL per order	SH3BX	$330.00
Each Add'l DTL per same order	SH3BA	$330.00

Table B – Monthly Recurring Charges for existing [1] Subject Services. Discounted Rates only apply through the remainder of existing term on Subject Services and do not apply to the purchase of new Subject Services.

Rate Element	**Applicable USOC**	**MRC**
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Non Recurring Charges (NRC) for new STN services will apply as described in Section 19 for services located in Phase I MSA's and Section 39 for services located in Phase II MSA's. Non Recurring Charges (NRC) for new ReliaNet services will be waived.

[1] See footnote (1) on page 41-334.

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41. Pricing Flexibility Contract Offerings

41.42 Contract Offering No. 42 – Special Access Service Offer

41.42.8 Termination Liability

If Customer terminates Contract Offer No. 42, the termination liability language contained below applies in lieu of termination liability language contained in Section 19 and Section 31. Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates Contract Offer No. 42 before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions in Section 41.42.4. These charges shall become due as of the effective date of the termination and are payable within 30 days of the billing invoice date.

Customer's termination liability charges for termination of service shall be equal to 50% of all monthly recurring charges for the balance of the Customer’s five (5) year Term Period, and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months Remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) month remaining in a sixty (60) month term period, then the termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

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41. Pricing Flexibility Contract Offerings

41.43 Contract Offer No. 43 - Self Healing Transport (STN) Volume Option 12 Service Offer

41.43.1 General Description

Self Healing Transport (STN) Volume Option 12 Service Offer (Contract Offer No. 43) is an access discount pricing plan that permits Customers to renew an existing STN Volume Option 12 service in the Phase 1 Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) listed in Section 41.43.3 herein. Subscription to Contract Offer No. 43 also permits Customers to receive discounts on Digital Transmission Links (DTLs) and Access Ports added to the renewed STN at the rates listed in Section 41.43.6.

Contract Offer No. 43 is available April 16, 2005 through June 16, 2005. This offer is not renewable.

41.43.2 Subject Services Available under Contract Offer No. 43

Contract Offer No. 43 applies to pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

- Self Healing Transport (STN) Network Service (Option 12) - Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section 19.3.
- Network Reconfiguration Service (NRS) - Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section 18.1

All terms and conditions for the qualified services listed above are governed by the respective tariff sections except as noted herein.

41.43.3 Eligibility Criteria

The following eligibility criteria must be met in order to receive discounts under Contract Offer No. 43:

(1) Service must be located in the following Pricing Flexibility MSA: Houston, TX.

(2) Customer must renew an existing Self Healing Transport
Network (STN) Volume Option 12.

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41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 – Self Healing Transport (STN) Network Volume Option 12 Service Offer Cont'd

41.43.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is three (3) years commencing on the date the Telephone Company receives the completed Letter of Subscription (LOS). This offer is not renewable.

At the expiration of the Term Period, STN Volume Option 12 renewed and additional services provided under this Contract Offer will be converted to the prevailing three (3) year term tariff rates specified in Section 39.5.2.11 for STN service. Customers receiving discounts on the Network Reconfiguration Service (NRS) 45 MBPS Ports purchased under this Contract Offer will convert to month to month rates for the NRS 45 MBPS Ports, as specified in Section 18.1

If the Customer chooses not to continue services as described above, the Customer must, within 30 days of expiration of the Term Period, notify the Telephone Company in writing of its desire to terminate services.

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41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 – Self Healing Transport (STN) Volume Option 12 Service Offer Cont'd

41.43.4 Terms and Conditions Cont'd

(B) Contract Offer No. 43 is only available April 16, 2005 through June 16, 2005.

(C) In order to subscribe to Contract Offer No. 43 a Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) If the Customer should discontinue service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.43.8.

(E) If the Customer requests additional service features and functions not included in Section 41.43.6 herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services.

(F) Customer must renew an existing STN Volume Option 12.

(G) The Customer may request the following elements to be added to the renewed STN Volume Option 12 up to the quantities listed below:

0 – 60 Additional DTLs
0 - 32 OC-3c optional interfaces per access node
0 - 10 OC-12c optional interfaces per access node

(H) Purchases of the Subject Services under this Contract Offer are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for STN Volume Option 12 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.

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41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 - Self Healing Transport (STN) Volume Option 12 Service Offer Cont'd

41.43.5 Assign and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 43 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

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41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 – Self Healing Transport Network (STN) Volume Option 12 Service Offer Cont'd

41.43.6 Rates and Charges

(A) Renewed Services

Table A below describes the Monthly Recurring Charge (MRC) the Customer must pay for the renewed STN Volume Option 12 service:

Rate Element	USOC	MRC per unit	Qty for renewal	Total MRC
STN Basic Configuration	SHKBX	$8,796.66	1	$8,796.66
STN Transport MI (per mile)	1T5QS	$79.16	54	$4,274.64
STN Additional CO Access Node	SHKCX	$2,565.69	2	$5,131.38
STN Additional Prem Access Node	SHKPX	$2,565.69	8	$20,525.52
STN Multiplexing (per multiplexer)	MKQ	$366.53	2	$733.06
STN Add'l DTL Added to Basic Config per order	SH3BA	$806.36	85	$68,540.60
SONET-based Interface Options per access Node, per Interface				
- EC-1	SBW3B	$80.63	6	$483.78
- OC-3C	SBW3D	$241.90	26	$6,289.40
- OC-12C	SBW3E	$483.81	6	$2,902.86

(B) Additional Services

Table B below describes the Monthly Recurring Charges (MRC) the Customer will pay for services purchased to be added to the renewed STN Volume Option 12 service.

Rate Element	USOC	MRC per Unit	Quantities
Add'l DTL Added to Basic Config per order	SH3BA	$806.36	0-60
Optional Interfaces per Access Node – per interface			
- OC3c	SBW3D	$241.90	0-32
- OC12c	SBW3E	$483.81	0-10

Table C below describes the Monthly Recurring Charge (MRC) the Customer will pay for the Network Reconfiguration Service 45 MBPS. The MRC described below applies to Customer's existing NRS ports, up to 16, and the purchase of additional ports not to exceed ten (10).

Rate element	USOC	MRC Per Unit
Network Reconfiguration Service 45 MPBS (DS3) Port	D3D	$289.54

The Term Period for Additional Services purchased under this Contract Offer will be co-terminus with the Renewed Services pursuant to this Contract offer.

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41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 – Self Healing Transport Network (STN) Volume Option 12 Offer Cont'd

41.43.7 Technology Upgrade Option

Customer has the option to upgrade services under Contract Offer No 43 to a new technology or a higher speed service, in part or in its entirety, without incurring termination liability charges as long as the following conditions are met:

(A) Customer must notify the Telephone Company of its desire to upgrade in writing;

(B) All terms and conditions of Contract Offer No. 43 must be met in order for the Customer to upgrade services.

(C) Upgraded services must have the same or higher monthly recurring charge (MRC) as the lower grade service purchased under this Contract Offer.

(D) The term period for the upgraded services extends beyond the term period of Contract Offer No. 43.

(E) Services must be in the same MSAs as described in Section 41.43.3 (1), herein.

41. Pricing Flexibility Contract Offerings Cont'd

41.43 Contract Offer No. 43 - Self Healing Transport Network (STN) Volume Option 12 Offer Cont'd

41.43.8 Termination Liability

If the Customer terminates this Contract Offer, the termination liability language contained below applies in lieu of termination liability language contained in Section 19.1 for STN Service and Section 18.1 for NRS. The Customer must pay to the Telephone Company termination liability charges if the Customer terminates this Contract Offer before the completion of the Term Period for any reason. Termination liability will also apply if the Customer does not meet the Terms and Conditions as described in Section 41.43.4, herein. These charges shall become due as of the effective date of the termination and are payable as described below. Customer's termination liability charges for termination of service shall be equal to:

20% of all applicable Monthly Recurring Charges(MRC), with the exception of the Additional Premises Access Node, which is 35%, times the number of remaining months in the Customer's three (3) year Term Period.

The termination liability charge will be calculated as follows:

(Tariff Monthly Recurring Charges) multiplied by 20% of all applicable Monthly Recurring Charges (MRC) multiplied by (Months Remaining in Term Period), Plus Additional Premises Access Nodes, multiplied by (35%) times the number of remaining months in the Customer's three (3) year Term Period

Example:
Customer terminates Contract Offer in the 24^{th} month, with 12 months remaining. MRC totals $102,000, with the exception of the Additional Premises Access Nodes which total $20,000.

$ 102,000 X .20 X 12 ($244,800) + $20,000 X .35 X 12 ($ 84,000) = $ 328,800 termination liability.

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41. Pricing Flexibility Contract Offerings

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer

41.44.1 General Description

MegaLink Custom Service Offer (Contract Offer No. 44) is an access pricing discount plan that permits Customers located in the Houston Metropolitan Statistical Area (hereafter referred to as MSA) to pay discounted rates, as listed in Section 41.44.6 for the purchase of MegaLink Custom Service.

Contract Offer No. 44 is only available between April 27, 2005, through May 27, 2005. This Offer is not renewable.

41.44.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive the MegaLink Custom Service Contract Offer No. 44:

(1) Service must be located in the following Pricing Flexibility MSA: Houston, TX;

(2) Service must be a new installation;

(3) Service must use central office multiplexing as described in Section 20.2.1; and

(4) Transport mileage on the MegaLink Custom Service must be no more than twenty (20) miles.

(B) Contract Offer No. 44 applies to pricing-flexibility-qualified access services contained in the following tariff section:

(1) MegaLink Custom Service (DS3)– Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12.

(C) All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the initial Access Service Order is completed. Billing commences no later than 30 days after the Telephone Company's completion of the Access Service Order.

If the Customer elects to continue services at expiration of the Term Period the Customer may:

(1) extend the rates, terms and conditions of this Contract Offer for only one additional one (1) year term; or

(2) choose from the payment options described in Section 39. If, at the expiration of the Term Period, the Customer does not elect an option described above,

If, at the expiration of the Term Period, the Customer does not elect an option described above, the Subject Services will convert to the prevailing applicable monthly extension rates found in Section 39.

Rate stability under this Contract Offer Term Period applies only to the rates specific to Contract Offer No. 44 as listed in Section 41.44.6.

Purchase of the services listed above under Contract Offer No. 44 are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for MegaLink Custom Services, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No. 44.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Customer must submit a Letter of Subscription (LOS);

(2) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS and /or Access Service Request (ASR), 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;

(3) If the Customer should discontinue service under Contract Offer No. 44 during the Term Period, termination liability charges will apply in accordance with Section 41.44.7;

(4) Customer must subscribe to the Subject Services available under Contract Offer No. 44 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched & Special Access Service.

(5) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 44, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangements, node moves, ring design provisioning changes and customer premise rearrangements;

(6) If the Customer requests additional service features and functions not included in Section 41.44.6, herein, the Customer will pay the tariff rates for those additions as contained in Section 39- Metropolitian Statistical Area Access Services;

(7) Customer will not be able to subscribe to or include Subject Services in any future promotion, contract offering, or discount plan in conjunction with this Contract Offer and;

(8) For MegaLink Custom Service subject to this Contract Offer, Customer shall, by the end of the first year of the five-year Term Period, purchase twenty-four (24) or more circuits.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.4 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under Contract Offer No. 44 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.5 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.6 Rates and Charges

MegaLink Custom Service Rates and Charges:

(A) Based on the range of transport mileage, Customer shall receive the following discounts on the transport mileage rate elements for MegaLink Custom Service:

(1) Interoffice Mileage- Fixed Monthly Recurring Rate- Per DS3

Interoffice Mileage- Zone	**USOC**	**Mileage Range**	**Discount**
Zone 1-3	10XHX/10XLX	0-3	6%
Zone 1-3	10XHX/10XLX	4-5	17%
Zone 1-3	10XHX/10XLX	6-9	32%
Zone 1-3	10XHX/10XLX	10-14	42%
Zone 1-3	10XHX/10XLX	15-18	52%
Zone 1-3	10XHX/10XLX	19-20	59%

(2) Interoffice Mileage- Per Mile Monthly Recurring Rate- Per DS3

Interoffice Mileage- Zone	**USOC**	**Mileage Range**	**Discount**
Zone 1-3	1J5HS/1HXLS	0-3	6%
Zone 1-3	1J5HS/1HXLS	4-5	17%
Zone 1-3	1J5HS/1HXLS	6-9	32%
Zone 1-3	1J5HS/1HXLS	10-14	42%
Zone 1-3	1J5HS/1HXLS	15-18	52%
Zone 1-3	1J5HS/1HXLS	19-20	59%

All other rate element charges for the MegaLink Custom Service can be referenced in the F.C.C No. 73 Section 39.

Non-recurring charges:

Non-recurring charges (NRC) for the MegaLink Custom Service can be referenced in F.C.C. No. 73 Section 19 and Section 39, as applicable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.44 Contract Offer No. 44 – MegaLink Custom Service Offer (Cont'd)

41.44.7 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Section 20.4.6. If the Customer terminates Contract Offer No. 44 before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.44.2, or the Terms and Conditions in Section 41.44.3. 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:

50% of all recurring charges for the balance of the Customer's five (5) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in billing) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $1,000 monthly recurring rate terminates service after three (3) years and has twenty-four (24) months remaining in a five (5) year term plan. The termination liability would be calculated as:

$1,000 X 24 X 50% = $12,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer

41.45.1 General Description

MegaLink Custom Service Offer (Contract Offer No. 45) is an access pricing discount plan that permits Customers located in the Dallas/Ft. Worth Metropolitan Statistical Area (hereafter referred to as MSA) to pay discounted rates, as listed in Section 41.45.6 for the purchase of MegaLink Custom Service.

Contract Offer No. 45 is only available between April 27, 2005, through May 27, 2005. This Offer is not renewable.

41.45.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive the MegaLink Custom Service Contract Offer No. 45:

(1) Service must be located in the following Pricing Flexibility MSA: Dallas/Ft. Worth, TX;

(2) Service must be a new installation;

(3) Service must use central office multiplexing as described in Section 20.2.1; and

(4) Transport mileage on the MegaLink Custom Service must be no more than fifteen (15) miles.

(B) Contract Offer No. 45 applies to pricing-flexibility-qualified access services contained in the following tariff section:

(1) MegaLink Custom Service (DS3)– Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12.

(C) All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the initial Access Service Order is completed. Billing commences no later than 30 days after the Telephone Company's completion of the Access Service Order.

If the Customer elects to continue services at expiration of the Term Period the Customer may:

(1) extend the rates, terms and conditions of this Contract Offer for only one additional one (1) year term; or
(2) choose from the payment options described in Section 39.

If, at the expiration of the Term Period, the Customer does not elect an option described above, the Subject Services will convert to the prevailing applicable monthly extension rates found in Section 39.

Rate stability under this Contract Offer Term Period applies only to the rates specific to Contract Offer No. 45 as listed in Section 41.45.4. Purchase of the services listed above under Contract Offer No. 45 are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for MegaLink Custom Services, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 45.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Customer must submit a Letter of Subscription (LOS);

(2) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS and /or Access Service Request (ASR), 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;

(3) If the Customer should discontinue service under Contract Offer No. 45 during the Term Period, termination liability charges will apply in accordance with Section 41.45.7;

(4) Customer must subscribe to the Subject Services available under Contract Offer No. 45 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched & Special Access Service.

(5) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 45, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangements, node moves, ring design provisioning changes and customer premise rearrangements;

(6) If the Customer requests additional service features and functions not included in Section 41.45.6, herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services;

(7) Customer will not be able to subscribe to or include Subject Services in any future promotional, contract offering, or discount plan in conjunction with this Contract Offer.

(8) For MegaLink Custom Service subject to this Contract Offer, Customer shall, by the end of the first year of the five-year Term Period, purchase ten (10) or more circuits.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.4 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under Contract Offer No. 45 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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 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:

- "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.5 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 of 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.6 Rates and Charges

MegaLink Custom Service Rates and Charges:

(A) Based on the range of transport mileage, Customer shall receive the following discounts on the transport mileage rate elements for MegaLink Custom Service:

(1) Interoffice Mileage- Fixed Monthly Recurring Rate- Per DS3

Interoffice Mileage- Zone	USOC	Mileage Range	Discount
Zone 1-3	10XHX/10XLX	0-3	8%
Zone 1-3	10XHX/10XLX	4-5	19%
Zone 1-3	10XHX/10XLX	6	25%
Zone 1-3	10XHX/10XLX	7	29%
Zone 1-3	10XHX/10XLX	8-9	37%
Zone 1-3	10XHX/10XLX	10	40%
Zone 1-3	10XHX/10XLX	11-15	43%

(2) Interoffice Mileage- Per Mile Monthly Recurring Rate- Per DS3

Interoffice Mileage- Zone	USOC	Mileage Range	Discount
Zone 1-3	1J5HS/1HXLS	0-3	8%
Zone 1-3	1J5HS/1HXLS	4-5	19%
Zone 1-3	1J5HS/1HXLS	6	25%
Zone 1-3	1J5HS/1HXLS	7	29%
Zone 1-3	1J5HS/1HXLS	8-9	37%
Zone 1-3	1J5HS/1HXLS	10	40%
Zone 1-3	1J5HS/1HXLS	11-15	43%

All other rate element charges for the MegaLink Custom Service can be referenced in the F.C.C No. 73 Section 39.

Non-recurring charges:

Non-recurring charges (NRC) for the MegaLink Custom Service can be referenced in F.C.C. No. 73 Section 19 and Section 39, as applicable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.45 Contract Offer No. 45 – MegaLink Custom Service Offer (Cont'd)

41.45.7 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Section 20.4.6. If the Customer terminates Contract Offer No. 45 before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.45.2, or the Terms and Conditions in Section 41.45.3. 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:

50% of all recurring charges for the balance of the Customer's five (5) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly recurring rate) multiplied by (Months remaining in billing) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $1,000 monthly recurring rate terminates service after three (3) years and has twenty-four (24) months remaining in a five (5) year term plan. The termination liability would be calculated as:

$1,000 X 24 X 50% = $12,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.46 Contract Offer No. 46 – Special Access [1]/DS1 Package Offer

41.46.1 General Description

Special Access [1]/DS1 Package Offer is an access discount pricing plan that permits Customers located in Phase 1 and Phase 2 Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) to pay the rates listed in Section 41.46.6 for the purchase of DS1 special access transport bandwidth subtending a [1]. Upon subscription, Customer must purchase one of the Special Access [1] / DS1 Package options, as described in Section 41.46.3(B)(3), herein. Contract Offer is available for subscription May 28, 2005 through August 31, 2005. This Contract Offer is not renewable.

41.46.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to purchase Contract Offer No. 46:

(1) Service must be located in the following Pricing Flexibility MSAs:

Fayetteville, Fort Smith, Little Rock, AR;
Kansas City, Topeka, Wichita, KS;

Joplin, Kansas City, Springfield, St. Joseph, St. Louis, MO;

Oklahoma City, Tulsa, OK;

Abilene, Amarillo, Austin-San Marco, Beaumont, Brownsville- Harlingen, Corpus Christi, Dallas-Ft. Worth, El Paso, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

(2) All traffic must originate or terminate at a Mobile Switching Center (MSC).

(3) DS1 Special Access services purchased under this Contract Offer must have interoffice mileage between zero (0) and ten (10) Miles.

(B) Contract Offer No. 46 applies to pricing flexibility qualified access services (hereafter referred to as Subject Services)contained in the following tariff sections:

(1) [1] – Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1] for Phase 1 MSAs and Section [1] for Phase 2 MSAs;

(2) DS1 Service – Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 7 for Phase 1 MSAs and Section 39 for Phase 2 MSAs

[1] Material previously contained in this section has been deleted. DSRS 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. 46 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46–Special Access [1]/DS1 Package Offer (Cont'd)

41.46.2 Eligibility Criteria (Cont'd)

(C) All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

41.46.3 Terms and Conditions

(A) Term Period

The contract term is five (5) years (hereafter referred to as Term Period), commencing on the date billing begins. Billing commences for the new Special Access [1]/DS1 Package no later than 30 days after the Telephone Company's completion of access service order for Subject Services. This offer is not renewable.

At the expiration of the Term Period, the Customer may select payment options from Section 7, Section [1], or Section 39. If, at the expiration of the Term Period Customer does not select a payment option, the DS1 services will be converted to the month-to-month rates found in Section 7.3.10 or Section 39.5.2.7 and the [1] services will be converted to the monthly extension rates found in Section [1] or Section [1].

Rate stability under this contract term applies only to the rates specific to Contract Offer No. 46 as listed in Section 41.46.6. Purchase of Subject Services listed above under Contract Offer No. 46 are also subject to certain rates, charges and general terms and conditions in other sections of F.C.C. Tariff No. 73 as set forth in 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 46.

(B) Terms and Conditions

(1) This Contract Offer No. 46 is only available May 28, 2005 through August 31, 2005;

(2) Customer must submit a Letter of Subscription (LOS) to the Telephone Company;

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46–Special Access [1]/DS1 Package Offer (Cont'd)

41.46.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(3) Upon subscription, the Customer must chose one of the following Special Access [1]/DS1 Package options:

(a) [1] with Seven (7) DS1s;
(b) [1] with Fourteen (14) DS1s; or
(c) [1] with Twenty-eight (28) DS1s.

(4) The total capacity of the [1] must be eighty-four (84) DS1 special access services. The total capacity must not exceed eighty-four (84) DS1 special access services at any time during the Term Period;

(5) If the Customer should discontinue service under Contract Offer No. 46 prior to the end of the Term Period, termination liability charges will apply in accordance with Section 41.46.7;

(6) Customer must subscribe to Subject Service available under this Contract Offer No. 46 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service;

(7) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS and /or Access Service Request (ASR), 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;

(8) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 46, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing [1], [1], [1], [1] and [1];

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46-Special Access [1]/DS1 Package Offer (Cont'd)

41.46.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(9) Subject Services provided pursuant to this Contract Offer No. 46 shall not be eligible for any other discount, promotion, or contract offer; and

(10) Subject Services must have an installation completion date on or before November 30, 2005. Subject Services that have completion dates after November 30, 2005 are not eligible for this Contract. However, services that are assigned completion dates beyond November 30, 2005, as a result of Telephone Company reasons, will be eligible for the Contract.

(C) Conversion of Existing Services

Existing DS1 Service as of the effective date of this Contract Offer may be eligible for conversion to this Contract Offer No. 46. The existing DS1 Service must not be currently provisioned over a [1] Service. Nonrecurring Rearrangement fees and any applicable Termination Liability associated with converting the existing DS1 Service to Contract Offer No. 46 will be waived. The Eligibility Criteria described in Section 41.46.2 will continue to apply for existing DS1 Services converted to this Contract Offer No. 46.

Existing DS1 Service, as of the effective date of this Contract Offer, that is currently provisioned over a [1] Service, is not eligible for conversion to this Contract Offer No. 46. Existing [1] Service, as of the effective date of this Contract Offer, is not eligible for conversion to this Contract Offer No. 46.

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46-Special Access [1]/DS1 Package Offer (Cont'd)

41.46.4 Assignment and Transfer

(A) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 46 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 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 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.

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46–Special Access [1]/DS1 Package Offer (Cont'd)

41.46.5 Upgrade Option

During the Term Period, Customer may upgrade DS1s of the Special Access [1]/DS1 Package subscribed to under this Contract Offer No. 46 to a higher package offering as shown in Table A below. Termination Liability associated with the termination of original package of DS1s will be waived.

Table A

Package Subscription	Upgrade Package Available
7 DS1s	14 DS1s or 28 DS1s
14 DS1s	28 DS1s
28 DS1s or greater	7 DS1s as described in 41.46.6

All nonrecurring ordering and installation charges, as described in 41.46.6 following, are applicable. The Term Period will remain unchanged.

41.46.6 Rates and Charges

(A) Customer must pay the following Monthly Recurring Charge (MRC) in Table B.

(B) The MRC in Table B includes the [1] and Special Access DS1 rate elements and quantities in Table C and Table D.

Monthly Recurring Charge (MRC):

Table B:

[1]**/DS1 Package**	Rate (Includes DS1s with 0 Miles up to and including 10 Miles)
[1] and 7 DS1s	$2850.00
[1] and 14 DS1s	$3500.00
[1] and 28 DS1s	$4500.00
Each Additional 7 DS1s above 28	$1000.00 per 7 DS1s

Table C:

[1]	USOC	Quantity
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.46 Contract Offer No. 46–Special Access [1]/DS1 Package Offer (Cont'd)

41.46.6 Rates and Charges (Cont'd)

Table D:

DS1 Special Access	USOC	Quantity
DS1 Channel Mileage Fixed	1L5XX	1 per DS1 circuit with Interoffice Channel Mileage
DS1 Channel Mileage Per Mile	1L5XX	DS1 circuits with Interoffice Channel Mileage may have a maximum of 10 Interoffice Channel Miles

(C) Customer must pay the Non-Recurring charges as listed in Section 7, Section [1], or Section 39.

41.46.7 Termination Liability

The termination liability language contained below applies in lieu of termination liability language contained in Section 7 and [1]. If Customer terminates Contract Offer No. 46, Special Access [1]/DS1 Package Offer, before the completion of the Term Period for any reason, Customer must pay to the Telephone Company termination liability charges as described below. Customer's termination liability charges for termination of service shall be equal to:

50% of all monthly recurring charges for the balance of the Customer's five (5) year Term Period.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in billing) multiplied by (Termination liability percentage of 50%)

Example: Customer with a $3,500 monthly recurring charge terminates service after one (1) year and has forty-eight (48) months remaining in a five (5) year term plan. The termination liability would be calculated as:

$3,500 X 48 X 50% = $84,000 termination liability charge.

[1] See footnote (1) on page 41-363.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer

41.47.1 General Description

Contract Offer No. 47 – the Broadband Plan is a special access discount pricing plan requiring subscription from the Customer under the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No 2, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39. The Broadband Plan provides discounted rates (Level II as described below) subject to volume commitments as described in Section 41.47.4 (G). (Nx)

(Nx)

Services covered under this Contract Offer will be grouped into Levels:

(1) Level I – Qualified existing access services that are already in service prior to the commencement of the Term Period are "Level I" circuits. Level I circuits will be counted toward the Customer's Portability Volume Commitment, as provided in Section 41.47.4 (G) of this Contract Offer, but are not eligible for the discounts provided under this Contract Offer.
(2) Level II – Qualified access services that are installed during the Term Period, or qualified access services that migrate from Level I to Level II as described in section 41.47.5, are "Level II" circuits. Level II circuits will be counted toward the Customer's Portability Volume Commitment and also will be eligible for the discounts provided under this Contract Offer.

Qualified services under this Contract Offer are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSA) as described in Section 41.47.3 (A). Contract Offer No. 47 is available for subscription from June 1, 2005 through August 1, 2005. This Contract Offer is not renewable.

(x) Issued under Authority of Special Permission No. 05-024 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.2 Subject Services

This Contract Offer applies to access services that qualify for pricing flexibility (hereafter referred to as Subject Services), as provided in the following tariff sections:

(1) MegaLink Custom Service (DS3), SWBT Tariff F.C.C. No. 73, Section 20.4 for Phase 1 MSAs and Section 39.5.2.12 for Phase 2 MSAs;
(2) [1], SWBT Tariff F.C.C. No. 73, Section [1] for Phase 1 MSAs and Section [1] for Phase 2 MSAs;
(3) ReliaNet, SWBT Tariff F.C.C. No. 73, Section 31.3.3 for Phase 1 MSAs and Section 39.5.2.13

All terms and conditions for the Subject Services provided under this Contract Offer are governed by their respective tariff sections, except as noted herein.

41.47.3 Eligibility Criteria

The following eligibility criteria must be met for Subject Services to be provided under this Contract Offer.

(A) Subject Services must be located in the following Pricing Flexibility MSAs:

Little Rock, AR; Topeka, KS; St. Joseph, MO; Springfield, MO; Abilene, TX; Amarillo, TX; Longview-Marshall, TX; Lubbock, TX; Fort Smith, AR; Kansas City, KS; Joplin, MO; Kansas City, MO; St. Louis, MO; Oklahoma City, OK; Austin-San Marcos, TX; Corpus Christi, TX; Dallas/Ft. Worth, TX; Houston, TX; Midland, TX; San Antonio, TX; Waco, TX and Wichita Falls, TX

If the Telephone Company receives end-user channel termination pricing flexibility relief in additional MSAs, those MSAs will be added the Broadband Plan, as outlined in Section 41.47.4 (E) of this Contract Offer.

[1] Material previously contained in this section has been deleted. OCN PTP 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. 47 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.3 Eligibility Criteria (Cont'd)

(B) Subject Services must be configured as follows:

(1) Subject Services must be a non-channelized point-to-point service; and
(2) Both end points of the circuit must be served by the Telephone Company and be located in an MSA listed in Section 41.47.3 (A) of this Contract Offer; and
(3) Subject Services must be at capacity levels of DS3, [1] or [1]; and
(4) The 'Z' location for each circuit must be an end-user premise that is not a wireless cell site.

(C) The Customer must have a minimum of 1,200 existing Subject Service circuits meeting the configuration requirements described in Section 41.47.3 (B) of this Contract Offer.

(D) With respect to Subject Services provided pursuant to this Contract Offer, the Customer may not subscribe those Subject Services simultaneously to this Contract Offer and the Managed Value Plan (MVP) tariff, as set forth in SWBT Tariff F.C.C. No. 73, Section 38.

[1] See footnote (1) on page 41-371.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions

(A) Term Period

The Term Period for this Contract Offer shall be five (5) years commencing on the first day of the month after the Telephone Company receives a completed Letter of Subscription (LOS).

If the Customer elects to continue service upon the expiration of the Term Period, the Customer may; by written notification to the Telephone Company sixty (60) days prior to the expiration of the Term Period:

(1) Extend rates, terms and conditions of this Contract Offer for one (1) additional two (2) year term; or
(2) Select from the applicable payment options in SWBT Tariff F.C.C. No. 73.

If, at the expiration of the Term Period, the Customer does not elect an option as described above, the Subject Services provided under this Contract Offer will be subsequently be provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C. No. 73.

(B) Subscription

(1) Contract Offer No. 47 is available only from June 1, 2005 through August 1, 2005.

(2) To subscribe to this Contact Offer the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(3) To subscribe to this Contract Offer the Customer must meet all eligibility criteria as outlined in 41.47.3. (Nx)

(4) The Customer must also concurrently subscribe to the following contract offers pursuant to the following tariffs: (Nx)

(a) NBTC Tariff F.C.C. No. 1, Section 23, Contract Offer No. 3;
(b) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 54;
(c) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 15;
(d) Ameritech Tariff F.C.C. No. 2, Section 41, Contract Offer No. 61.

(x) Issued under Authority of Special Permission No. 05-024 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(A) General

(1) The Customer must subscribe to the services available under this Contract Offer according to the regulations set forth in SWBT Tariff F.C.C. No. 73, Section 5-Ordering for Access Service.

(2) Subject Services provided under this Contract Offer shall also be subject to certain rates, charges and general terms and conditions set forth in SWBT Tariff F.C.C. No. 73, 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.

(3) If the Customer discontinues service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.47.10 of this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(A) New Subject Services

(1) All of the Customer's new Subject Services that are purchased from the Telephone Company and are eligible for inclusion in this Contract Offer must be provided under this Contract Offer.

(2) The Customer may not include new Subject Services that are provided under this Contract Offer in any other promotional tariff, contract offer, or other discount plan concurrently with this Contract Offer.

(3) The Customer must subscribe to all new Subject Services according to the otherwise applicable one (1) year term payment plan.

(4) The Customer must pay all Special Construction charges associated with the provisioning of new Subject Services.

(5) New Subject Services must remain in service under this Contract Offer for at least one (1) year.

(6) New Subject Services installed in the final year of the Term Period of this Contract Offer must remain in service for at least one (1) year. Such Subject Services will continue to be subject to the Rates and Charges outlined in this Contract Offer for the remainder of the one (1) year minimum period. If any such Subject Services do not remain in service for at least one (1) year, they will be subject to Termination Liability as described in Section 41.47.10 of this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(A) Additional MSA Relief

(1) Upon FCC approval of additional MSAs for pricing flexibility relief for end-user channel terminations, those MSAs will be added to the Broadband Plan in TSA_3.

(2) Subject Services that were installed in such additional MSAs prior to the commencement of the Term Period will be included in this Contract Offer as Level I services; subject to existing terms for Migration to Level II as provided in Section 41.47.5.

(3) Subject Services installed, in such additional MSAs, during the Term Period will be included in this Contract Offer as Level II services.

(4) As Subject Services in such additional MSAs are provided under this Contract Offer, the then-current Portability Volume Commitment will be increased to reflect the added Subject Services, based on the in service volumes for qualified Subject Services that are reflected in the recurring billing records from the Telephone Company during the month prior to the MSA being granted pricing flexibility relief.

(B) Access Service Ratio

The Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater. The ratio will be based cumulative billing for DS1 and DS3 services in the MSAs described in Section 41.47.3 (A) of this Contract Offer for the prior six-month period. The Access Service Ratio will be calculated upon the completion of each six-month period beginning upon the commencement of the Term Period as follows:

$$\frac{\text{Access Billing} \quad \text{Less} \quad \text{Wholesale Billing}}{\text{Access Billing}}$$

Where:

(1) Access Billing consists of the Customer's and its affiliates' interstate recurring billing for DS1 and DS3 rate elements, as defined in SWBT Tariff F.C.C. No. 73, Sections 7.3.10, 20.5, 39.5.2.7 and 39.5.2.12; and

(2) Wholesale Billing consists of the Customer's and its affiliates' recurring billing for DS1 and DS3 bandwidth equivalent rate elements, as provided in Table A, not included in the interstate tariff(s).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(F) Access Service Ratio (Cont'd)

Table A:

Service Level	**Associated Rate Elements Not Included in Interstate Tariff**
DS1/LT1	4-wire Digital Loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 Non-tariffed Committed Information Rate Broadband Services Unbundled Dedicated Transport
DS3/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 Non-tariffed Committed Information Rate Broadband Services Unbundled Dedicated Transport

(1) If new wholesale rate elements are introduced which are comparable to those set forth in Table A, all recurring billing associated with those new rate elements will also be included in the Customer's Wholesale Billing, as defined in this Section 41.47.4 (F), for purposes of calculating the Customer's Access Service Ratio.

(2) If the Customer does not meet the Access Service Ratio, then the Customer must pay the Telephone Company an amount sufficient to result in the Customer's resulting total Access Billing being equivalent to the amount that would have been billed, had the Customer maintained an Access Service Ratio of 95 percent. If the Customer fails to pay that amount, the Customer shall be deemed to have terminated this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC)

Portability is provided under this Contract Offer through the Portability Volume Commitment (PVC). For purposes of determining the Customer's PVC, the Telephone Company shall aggregate volumes for the various Subject Services included in this Contract Offer by converting counts of Telephone Company assigned unique Circuit ID's, by Circuit Type, into PVC Units, as shown below in Table B.

Table B:

Qty	**Circuit Type**		**PVC Units**
1	DS3	=	1
1	[1]	=	2.5
1	[1]	=	5

(1) PVC Level

(a) The initial PVC Level shall be established at the commencement of the Term Period and is based on the in service volumes for Level I Subject Services that are reflected in the recurring billing records of the Telephone Company during the month prior to the commencement of the Term Period.
(b) The PVC Level will be reset after each PVC Attainment Review, as described below in Section 41.47.4 (G) (2) (c).
(c) The PVC Level can not be reduced, except as provided by the PVC Reduction Option described in Section 41.47.4 (G) (5) of this Contract Offer.

[1] See footnote (1) on page 41-371.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Review

Upon the completion of each six-month period, beginning upon the commencement of the Term Period, the Telephone Company will perform a review (the PVC Attainment Review), to compare the Customer's then-current PVC Measurement to the PVC Floor.

(a) The Telephone Company shall calculate the Customer's PVC Level and PVC Floor as follows:

(i) The PVC Measurement shall be the sum of all Level I and Level II PVC Units that are reflected in the recurring billing records of the Telephone Company for the last month of the period under review.

(ii) The PVC Floor shall be equal to the Customer's then-current PVC Level, multiplied by the PVC Attainment Factor, as provided in Table C:

Table C:

Current PVC Level	**PVC Attainment Factor**
1,200 – 1,800	95%
1,801 – 2,100	92%
2,101 +	90%

(b) The Customer's PVC Measurement, at the time of each six-month review, must equal or exceed the current PVC Floor.

(i) If the PVC Measurement is greater than or equal to the PVC Floor, the Customer shall be deemed to have met the PVC requirement for the six-month period under review.

(ii) If PVC Measurement is lower than the PVC Floor, then the Customer must pay the PVC Attainment Shortfall as described in Section 41.47.4 (G) (3).

(c) Upon completion of the PVC Attainment Review, the PVC Level shall be reset to the PVC Measurement calculated for the period under review, or the existing PVC Level, whichever is greater.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Shortfall Payment

The PVC Attainment Shortfall Payment shall be calculated as follows:

(a) The PVC Unit Shortfall shall be calculated according to the following equation: (PVC Level x 95%) - PVC Measurement = PVC Unit Shortfall.

(b) The PVC Attainment Shortfall Payment shall be calculated by multiplying the PVC Unit Shortfall by $9,600.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Review Example

At month 6:
PVC Level = 1,500. PVC Measurement = 1,800. PVC Measurement exceeds PVC Floor of 1,425, thus commitment is met and new PVC Level is reset to 1,800.

At month 12:
PVC Level = 1,800. PVC Measurement = 1,750. PVC Measurement exceeds PVC Floor of 1,710, thus commitment is met and PVC Level remains 1,800.

At month 18:
PVC Level = 1,800. PVC Measurement 18 = 1,700. PVC Measurement is below PVC Floor of 1,710, thus commitment is not met. Customer must pay PVC Attainment Shortfall and PVC Level remains = 1,800.

Month 18 PVC Attainment Shortfall calculation:
Step 1 – (PVC Level x 95%) - PVC Measurement = PVC Unit Shortfall
[(1,800 x 95%) – 1,700] = 10
Step 2 - PVC Unit Shortfall x $9,600 = PVC Attainment Shortfall Payment
10 x $9,600 = $96,000

Table D: PVC Attainment Review Example

Completed Contract Month	PVC Level	PVC Floor	PVC Measure-ment	PVC Attainment Review	PVC Unit Shortfall	PVC Attainment Shortfall
6	1,500	1,425	1,800	met	0	n/a
12	1,800	1,710	1,750	met	0	n/a
18	1,800	1,710	1,700		10	$96,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Reduction Option

Annually, upon each anniversary of the commencement of the Term Period, the Customer shall be permitted to reduce its PVC Level, as outlined herein:

(a) The PVC Reduction Option is available only if the Customer has met the PVC requirements of this Contract Offer during the previous six-month period, as provided in Section 41.47.4 (G) (2) (b) of this Contract Offer, either by meeting the PVC Attainment Review criteria or by making the PVC Attainment Shortfall Payment.
(b) The PVC Reduction Option lowers Customer's PVC Level; however, the Customer's PVC Level remains subject to increase through the PVC Attainment Review process as provided in Section 41.47.4 (G) (2) of this Contract Offer.
(c) The Customer must notify the Telephone Company, in writing, within sixty (60) days following the anniversary of the commencement of the Term Period, of its decision to reduce the PVC Level, to be effective during the year of the Term Period in which notice is provided. The Customer shall include in its notice a PVC Reduction Amount, which shall be the amount of the reduction the customer has chosen, expressed in PVC Units.
(d) A PVC Reduction Charge shall be calculated by multiplying the PVC Reduction Amount by $1,600, then multiplying that amount by the PVC Term Factor, as provided in Table E:

Table E:

	PVC Term Factor
Completion of Year 1	24
Completion of Year 2	18
Completion of Year 3	12
Completion of Year 4	6

Example: PVC Reduction
Customer requests a PVC Reduction of 10 PVC Units upon the completion of Year 2. PVC Reduction Charge is calculated as follows:

Requested PVC Reduction x $1,600 x PVC Term Factor = PVC Reduction Charge
10 x $1,600 x 18 = $288,000

(This page filed under Transmittal No. 1)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.5 Migration of Subject Services from Level I to Level II

Eligible Level I circuits may migrate to Level II of this Contract Offer. Migration from Level I to Level II may occur either automatically under defined circumstances (Type I Migration) or at the option of the Customer (Type II Migration), as further provided below. Upon migration, migrated circuits shall be subject to TSA_3 Rates and Charges, as provided in Section 41.47.7 of this Contract Offer.

(A) Migration Eligibility

Level I circuits must meet the following qualifications to deemed eligible to migrate to Level II.

(1) Level I circuits eligible for migration cannot be included in a promotional tariff or contract offering of any kind.

(2) Level I circuits shall continue to be subject to the rates, terms and conditions of the otherwise applicable tariffs, including any otherwise applicable term payment plans. Upon expiration of existing term payment plans for Level I circuits the Customer must select one of the following options for the circuits to remain eligible for Level II status:

(a) Circuits may be provided according to Monthly Extension Rates; or
(b) Circuits may be renewed for terms equal to the existing terms; or
(c) Circuits may be renewed for terms shorter than the existing terms.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.5 Migration of Subject Services from Level I to Level II (Cont'd)

(A) Rank Ordered Migration List

(1) Upon completion of each PVC Attainment Review, the Telephone Company will provide the Customer a Rank Ordered Migration List of eligible Level I circuits. Type I and Type II Migration to Level II will be based on this list. To be included on the Rank Ordered Migration List, circuits must remain eligible for migration, as provided Section 41.47.5 (A) of this Contract Offer.

(2) Level I circuits eligible for migration will be included in the Rank Ordered Migration List. The first criterion for the rank ordering shall be the service term applicable to each circuit (Expired Plans, 1 yr, 2 yr, 3yr, 4 yr and 5 yr respectively). The second criterion for the rank ordering shall be oldest Service Establishment Date. Both the service term and Service Establishment Date shall be determined according to the end-user termination rate element in the Telephone Company's billing records.

(B) Type I Migration

Type I Migration shall occur automatically if, upon any PVC Attainment Review, the PVC Measurement exceeds the PVC Level. For each PVC Unit by which the PVC Measurement exceeds the PVC Level, one PVC Unit shall be migrated from Level I to Level II. The order of migration shall be determined according to the Rank Ordered Migration List. TSA_3 pricing shall apply to all circuits subject to Type I Migration, effective on the first day of the subsequent PVC Attainment Review Period.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.5 Migration of Subject Services from Level I to Level II (Cont'd)

(A) Type II Migration

Type II Migration shall be permitted at the Customer's option, as provided in this Section 41.47.5 (D)

(1) The Customer must submit a written request to the Telephone Company meeting the following requirements:

(a) The Customer's request must be received by the Telephone Company within sixty (60) days after the completion of the last day of the six-month PVC Attainment Review Period; and

(b) The request must include the specific number of PVC Units to be migrated.

(2) The order of migration shall be determined according to the Rank Ordered Migration List.

(3) TSA$_3$ pricing will apply to all circuits subject to Type II Migration, effective on the date the Telephone Company receives the Customer's written request.

(4) A one-time migration charge will apply, as provided in Table F:

Table F: One-Time Migration Charge per PVC Unit

	Migration Charge *(per PVC Attainment Review Period)*							
Cumulative Net Adds	12	18	24	30	36	42	48	54
0 - 75	$10,595							
76 - 125	$8,965							
126 - 200	$7,335							
201 - 300	$5,705							
301 - 425	$4,075							
426 - 575	$2,445							
576 - 725	$815							
726 +	$0							
Less than 400			*Not Eligible for Type II*					
Greater than 400			$2,445		$1,630		$815	

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont’d)

41.47.6 Termination Liability Credits for Renewed Level I Circuits

If the customer renews a Level I circuit as provided in Section 41.47.5 (A) (2) and that circuit is subsequently disconnected before the completion of its renewal term, the Telephone Company will credit the Customer 50% of the otherwise applicable Termination Liability charges billed to the Customer if the following requirements are met:

(A) The original term plan for the disconnected circuit must expire after the commencement of the Term Period of this Contract Offer; and
(B) The Customer must renew the Level I circuit as provided in Section 41.47.5 (A); and
(C) The renewed Level I circuit must be disconnected before the completion of the first year of the Term Period of this Contract Offer; and
(D) The Customer must pay all billed Termination Liability charges by their applicable due date.

Upon validation of compliance with the eligibility criteria, the Telephone Company will process a billing credit each quarter to the Customer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.7 Rates and Charges

(A) Target Service Areas (TSA)

Eligible MSAs have been grouped into TSA_1, TSA_2 or TSA_3 for purpose of applying the Rates and Charges as described in this section of the Contract Offer.

TSA_1
Dallas/Ft. Worth, TX Houston, TX Kansas City, KS Kansas City, MO St. Louis, MO
TSA_2
Austin-San Marcos, TX Corpus Christi, TX Oklahoma City, OK San Antonio, TX
TSA_3
Abilene, TX Amarillo, TX Fort Smith, AR Joplin, MO Little Rock, AR Longview-Marshall, TX Lubbock, TX Midland, TX Springfield, MO St. Joseph, MO Topeka, KS Waco, TX Wichita Falls, TX

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.7 Rates and Charges (Cont'd)

(A) Monthly Recurring Charge (MRC)

The Customer must pay the applicable MRC for each rate element listed below. Any rate elements not described below will continue to be billed at the applicable tariff rates as described in SWBT Tariff F.C.C. No. 73.

Rate Element	Applicable USOC	TSA_1	TSA_2	TSA_3
MegaLink Custom DS3				
Channel Termination - Zone 1	TUZPX	$936.00	$955.50	$975.00
Channel Termination - Zone 2	TUZPX	$1,008.00	$1,029.00	$1,050.00
Channel Termination - Zone 3	TUZPX	$1,080.00	$1,102.50	$1,125.00
Mileage Fixed – Zone 1	1OXHX	$414.00	$432.00	$450.00
Mileage Fixed – Zone 2	1OXHX	$437.00	$456.00	$475.00
Mileage Fixed – Zone 3	1OXHX	$460.00	$480.00	$500.00
Mileage Variable – Zone 1	1J5HS	$41.40	$43.20	$45.00
Mileage Variable – Zone 2	1J5HS	$46.00	$48.00	$50.00
Mileage Variable – Zone 3	1J5HS	$50.60	$52.80	$55.00
(1)				
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)				
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
ReliaNet Service				
AC-IntraMAC DS3	NOCXX	$1,083.75	$1,106.35	$1,128.90
AC-ON Net DS3	NOLXX	$1,547.25	$1,579.50	$1,611.70
AC-OFF Net DS3	NOFXX	$777.05	$793.25	$809.40
AC-IntraMAC OC-3	NOCXX	$1,959.60	$2,044.80	$2,130.00
AC-ON Net OC-3	NOLXX	$3207.25	$3,346.70	$3,486.10

(1) See footnote (1) on page 41-371.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.7 Rates and Charges (Cont'd)

(A) Nonrecurring Charges (NRC)

The Customer must pay the applicable NRC for installation and rearrangement as listed below. Any NRC not listed below will continue to be billed at the applicable tariff rates as described in SWBT Tariff F.C.C. No. 73.

Description	Applicable USOC	NRC
DS3 Service		
Installation Charge	NRBSE	$0.00
ReliaNet		
AC-IntraMAC DS3	NOCXX	$0.00
AC-ON Net DS3	NOLXX	$0.00
AC-OFF Net DS3	NOFXX	$0.00
AC-IntraMAC OC-3	NOCXX	$0.00
AC-ON Net OC-3	NOLXX	$0.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont’d)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont’d)

41.47.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.2.1 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 "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.

41.47.9 Mergers/Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 of 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.47 Contract Offer No. 47 – Broadband Plan - Service Offer (Cont'd)

41.47.10 Termination Liability

If Customer terminates this Contract Offer the termination liability language contained below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73. Customer must pay to the Telephone Company termination liability charges as described below if Customer terminates this Contract Offer before the completion of the term period for any reason, or if Customer is not in compliance with Terms and Conditions in Section 41.47.4. These charges shall become due as of the effective date of the termination and are payable within 30 days of the billing invoice date.

Customer's termination liability charges for termination of this Contract Offer shall be equal to a complete reduction of the Portability Volume Commitment as outlined in 41.47.4 (G) (5). The PVC Term Factor shall be based on the longest fully completed year under this Contract Offer at termination.

Upon termination of this Contract Offer, all Subject Services provided under this Contract Offer will subsequently be provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C. No. 73.

If the Customer disconnects a Subject Service provided under this Contract Offer prior to the completion of the one (1) year minimum in service requirement, then the following termination liability charges will apply:

75% of all recurring charges for the balance of the one (1) year term period plus the current applicable NRC charge for a service installed under a one (1) year term payment plan less the NRC charge paid at installation of Subject Service.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in order to achieve one (1) year in service) multiplied by (Termination liability percentage of 75%) plus current applicable NRC minus NRC charges already paid.

Example: Customer has $20,000 in Monthly Recurring Charges for a Subject Service provided under this Contract Offer. The customer paid an NRC of $550 at installation and the current applicable NRC equals $750. If Customer terminates service after six (6) months and has six (6) months remaining in order to meet the one (1) year minimum time in service, the termination liability would be calculated as:
($20,000 X 6 months X 75%) + ($750 - $550) = $90,250

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.48 Contract Offer No. 48 – Special Access Service Offer

41.48.1 General Description

Special Access Service Offer (Contract Offer No. 48) is an access discount pricing plan for which subscription is required in the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Pacific Bell Telephone Company Tariff F.C.C. No. 1, Southwestern Bell Telephone Company Tariff F.C.C. No. 73, and The Southern New England Telephone Company Tariff F.C.C. No. 39. Contract Offer No. 48 is available to any Customer with at least $26.5 million in cumulative annual recurring revenue for Contributory Services as defined herein. The Customer must meet the Eligibility Criteria set forth in Section 41.48.2 and also must comply with all terms and conditions of this Contract Offer.

Contract Offer No. 48 requires the Customer to maintain a Minimum Annual Revenue Commitment (MARC)for each year of the five (5) year Term Period as defined in Section 41.48.3(A). The MARC shall include all Contributory Services purchased from the Telephone Company or its affiliates available under this Contract Offer. Contributory Services include Contributory Subject Services as described in Section 41.48.2(C), herein, in addition to the following Contributory Non-Subject Services (that are not Contributory Subject Services): [1], [1], [1] and the following InterLATA services: DS0, DS1, DS3, [1], [1], [1], and [1]. Contributory Services that are Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described above must be purchased through the SBC wholesale sales channel (SBC Industry Markets). Any [1], [1] or InterLATA Contributory Services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the website established to make public any agreements for these services. Customers may reference: https://primeaccess.att.com

In the event the Customer does not meet its MARC as of each Anniversary Date of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 41.48.4(D). Notwithstanding the obligation to pay such shortfall payment, if the Customer does not comply with all terms and conditions of this Contract Offer (exclusive of terms and conditions of non-tariffed agreements referenced herein), termination liability charges in accordance with Section 41.48.9 shall apply.

Contract Offer No. 48 will only be available June 2, 2005 through July 2, 2005.

[1] Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, OCN PTP, AND OPT-E-MAN® 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. 48 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.2 Eligibility Criteria

(A) The Customer must meet the following Eligibility Criteria in order to subscribe to Contract Offer No. 48, and must continue to meet the Eligibility Criteria as described below throughout the Term Period of this Contract Offer:

(1) Contract Offer No. 48 is available for services located in the following pricing flexibility Metropolitan Statistical Areas (MSAs): Fayetteville, Fort Smith, Little Rock, AR; Kansas City, Topeka, Wichita, KS; Joplin, Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Beaumont, Brownsville-Harlingen, Corpus Christi, Dallas-Ft. Worth, El Paso, Houston, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

If the Telephone Company receives pricing flexibility relief in additional MSAs, any eligible Subject Services that the Telephone Company provides to the Customer pursuant to this Contract Offer available in those additional MSAs may, at the Customer's option, be included in this Contract Offer, beginning with the first year after the Telephone Company receives pricing flexibility in those additional MSAs; provided that the MARC increases to reflect the recurring annual revenues associated with the additional Contributory Subject Services, as described in Section 41.48.4.

(2) The Customer's first and second year MARC shall be $26.5 million in cumulative annual recurring revenue for Contributory Services in the following SBC Companies: Ameritech Operating Companies (Ameritech), Pacific Bell Telephone Company, Southwestern Bell Telephone Company, and The Southern New England Telephone Company. Other Contributory Services may be provided by other SBC companies. (Nx)

(x) Issued under Authority of Special Permission No. 05-026 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.2 Eligibility Criteria (Cont'd)

(A) (Cont'd)

(3) The Customer cannot subscribe to Contract Offer No. 48 concurrently with SBC's MVP Offering in Section 19;

(4) The Customer must maintain an Access Service Ratio, equal to or greater than 98%. The Access Service Ratio is defined in Section 41.48.3(E) and will be measured quarterly.

(B) Concurrent Subscription
The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 48 pursuant to the following tariffs:

(1) Ameritech Operating Companies Tariff F.C.C No. 2, Section 22, Contract Offer No. 64.
(2) Pacific Bell Telephone Company Tariff F.C.C. No. 1, Section 33, Contract Offer No. 56.
(3) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 16.

(C) Contributory Subject Services
Contract Offer No. 48 applies to pricing-flexibility-qualified access services (hereafter referred to as Contributory Subject Services) contained in the following tariff sections:

(1) VG/DS0 Services – Southwestern Bell Tariff F.C.C. No. 73, Sections 7.3.6.4 (G), 7.3.10 (F) for Phase I MSAs, and Sections 39.5.2.3, 39.5.2.7 (A) for Phase II MSAs;
(2) DS1/DS3 Service – Southwestern Bell Tariff F.C.C. No. 73, Sections 7.3.10 (F), 7.3.9(F) for Phase I MSAs and Sections 39.5.2.7, 39.5.2.6 for Phase II MSAs;
(3) [1] Service – Southwestern Bell Tariff F.C.C. No. 73, Sections [1], [1], [1] and [1] for Phase I MSAs and Sections [1], [1], [1] and [1] for Phase II MSAs;
(4) [1] Service – Southwestern Bell Tariff F.C.C. No. 73, Sections [1] for Phase I MSAs, and Section [1] for Phase II MSAs.

[1] See footnote (1) on page 41-392.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.2 Eligibility Criteria (Cont'd)

(C) Contributory Subject Services (Cont'd)

(5) [1] Service – Southwestern Bell Tariff F.C.C. No. 73, Section [1] for Phase I MSAs and Section [1] for Phase II MSAs.
(6) [1] Service – Southwestern Bell Tariff F.C.C. No. 73, Sections [1] for Phase I MSAs and Section [1] for Phase II MSAs.

All Terms and Conditions for the Contributory Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 41.48.4. Only the Contributory Subject Services listed above are eligible for the discounts provided under this Contract Offer. If, during the Term Period of this Contract Offer, additional services become eligible for pricing flexibility, those additional services may, at the Customer's option, be included among the Contributory Subject Services eligible under this Contract Offer, beginning with the first year after the additional services become eligible for pricing flexibility, provided that the MARC increases to reflect the recurring annual revenues associated with the additional Contributory Subject Services, as described in Section 41.48.4.

41.48.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Customer executes a Letter of Subscription (LOS). The Anniversary Date shall be based on the date of the executed LOS. Contract Offer No. 48 is not renewable.

Contributory Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any additional Contributory Subject Services included in this Contract Offer after commencement of the Term Period in accordance with the terms and conditions set forth herein, must be converted to five (5) year term payment plans (where available), in order to receive discounts pursuant to this Contract Offer.

[1] See footnote (1) on page 41-392.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.3 Terms and Conditions (Cont'd)

(A) Term Period (Cont'd)

If the five (5) year term payment plan is not available for certain Contributory Subject Services, the Customer must select from the longest term plan available for the Contributory Subject Service. Customer may select from any year term payment plan for purchases of new Contributory Subject Services after the commencement of the Term Period of this Contract Offer. Services are subject to certain rates, charges, and general Terms and Conditions in other sections of F.C.C. Tariff No. 73, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such Terms and Conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(B) Contract Offer No. 48 is only available for subscription June 2, 2005 through July 2, 2005

(C) The Customer must submit a completed LOS to the Telephone Company

(D) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in Southwestern Bell Tariff F.C.C. No. 73, Section 5 – Ordering Options for Switched Access and Special Access Services.

(E) Access Service Ratio
As referenced in Section 41.48.2(A)(4), the Customer and its subsidiaries must maintain an Access Service Ratio of 98% or greater. The Customer must not migrate any Contributory Services to or from any affiliates in a manner that would affect its obligations under this provision. The ratio, calculated quarterly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 98%. The 98% ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' interstate recurring billed revenue associated with the rate elements, as defined in table A:

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.3 Terms and Conditions (Cont'd)

(E) Access Service Ratio (Cont'd)

TABLE A:

Service	General/Basic Description	
Voice Grade	7.3.4 (A)	
Base Rate (DS0), DS1 and DS3 Services	7.3.10	
[1]	[1]	(S)
[1]	[1]	(S)
[1]	[1]	(S)
[1]	[1]	(S)

(2) Wholesale Revenue is the Customer's and its subsidiaries' recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s).

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	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/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	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 Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

[1] See footnote (1) on page 41-392.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.3 Terms and Conditions (Cont'd)

(E) Access Service Ratio (Cont'd)

(3) As new rate elements are introduced to Table A in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(4) As new rate elements are introduced to Table B in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Wholesale Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given quarter of the term, upon notification from the Telephone Company, the Customer has ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 98% Access Services Ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and the Telephone Company shall have the right to terminate this Contract Offer, unless the Customer has acted in good faith to achieve compliance and the Customer's failure to achieve compliance within 60 days is caused by delay attributable to the Telephone Company. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.48.9.

(6) Credits will not be issued until the Customer has met the 98% Access Services Ratio.

(F) The Customer may not subscribe to any future Contract Offerings in Section 41 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer unless expressly permitted in the future Contract Offer.

(G) The Customer must pay billed charges in full throughout the Term Period of this Contract Offer, excluding amounts being disputed. The Telephone Company will exhaust its remedies under Section 2.5.3 of FCC Tariff No. 73 before exercising any remedy under this section. The Telephone Company will provide Customer written notice (via registered letter to Customer's General Counsel) of non-compliance.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 - Special Access Service Offer (Cont'd)

41.48.3 Terms and Conditions (Cont'd)

(G) (Cont'd)

The Customer will have thirty (30) days from receipt of the written notice to comply, which may be extended by mutual agreement of the parties to allow the Parties to attempt to resolve any disputes. During this thirty (30) day period or a period to be mutually agreed upon by the Parties, the Parties will cooperate in good faith to attempt to resolve any pending disputes. If, after the Parties have exhausted attempts to resolve any pending disputes or have resolved disputes and the Customer does not comply with the written notice of non-compliance, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 41.48.9 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes). Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5.3.

(H) The Customer will continue to receive the benefit of rate stability for any Contributory Subject Services currently under a term plan with the Telephone Company that provides for rate stability.

41.48.4 Minimum Annual Revenue Commitment (MARC)

(A) Calculation of the MARC

The Customer must establish and maintain a MARC as provided in this Contract Offer. The MARC for the first and second year of the Term Period (Years 1 and 2) will be established when the Telephone Company receives the LOS from the Customer. For purposes of calculating the MARC for Year 1, recurring annual revenue for all Contributory Services shall be included in the calculation based on the rates that would apply to the Contributory Subject Services for a five-year minimum term, regardless of whether the Subject Services were actually purchased pursuant to a five-year term at the time of the Customer's subscription to this Contract Offer. Recurring annual revenue for Contributory Services that are not Contributory Subject Services shall be included in the calculation based on the actual rates applicable to those Contributory Services at the time of calculation.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Calculation of the MARC (Cont'd)

The Customer's MARC for Year 1 shall be $26.5 Million, or four times the Customer's monthly recurring revenue for Contributory Services during the three months immediately preceding the receipt of the signed LOS, whichever is greater. The Customer's Year 2 MARC will be equal to the Year 1 MARC.

The MARC will be re-established, effective on the Anniversary Date, beginning on the second anniversary (the beginning of Year 3). The MARC for Year 3 and subsequent years will be based on the Customer's actual monthly recurring revenue for all Contributory Services during the previous 3 months multiplied by 4, or the then-current MARC, whichever is greater.

Example 1:
The contract tariff date is May 1, 2005. The MARC for Year 2 is $26.5M. The Customer's actual revenue to Telephone Company from February 1, 2007 to April 30, 2007 is $8M. The new Year 3 MARC, effective May 1, 2007, is $32M ($8M multiplied by 4 equals $32M.)

Example 2:
The contract tariff date is May 1, 2005. The MARC for Year 2 is $26.5M. The Customer's actual revenue to Telephone Company from February 1, 2007 to April 30, 2007 is $6M. The new Year 3 MARC, effective May 1, 2007, is $26.5M. (The $26.5M MARC is due to the fact that the MARC recalculation cannot result in a MARC lower than the current MARC.)

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not listed in Section 41.48.2, or if additional Contributory Subject Services that are not listed in Section 41.48.2 become eligible for pricing flexibility, the additional MSAs or Contributory Subject Services may be included, at the Customer's option, in this Contract Offer beginning with the first year after the additional MSAs or Contributory Subject Services became eligible for pricing flexibility. Upon Customer's written notification to the Telephone Company of their intent to exercise this option, the Telephone Company will recalculate the MARC to incorporate the recurring annual revenues from those MSAs or Subject Services and will include those revenues in the calculations described herein.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Inclusion of Additional Contributory Services

Not withstanding anything to the contrary herein, the Customer may, at its option, include in this Contract Offer any Contributory Services being provided to the Customer by the Telephone Company as of the date the Customer subscribes to this Contract Offer, but which are then being provided to the Customer according to a tariff or contract other than this Contract Offer, provided, however, that the MARC must be increased to reflect the recurring annual revenues associated with the additional Contributory Services, as provided in Section 41.48.4. If any additional Contributory Services are [1], [1] or InterLATA services, those additional Contributory Services shall be provided pursuant to an agreement and/or contract which shall be available for review at the following web site: https://primeaccess.att.com.

Example:
Year 1 MARC = $26.5M
If during Year 1, the Customer wishes to include $2M of annual spend currently purchased from the Telephone Company under another tariff or contract, and if those services qualify as Contributory Services, then the new Year 1 MARC is $28.5M.

(C) MARC Adjustments

(1) The Customer shall have the right to adjust the MARC downward by up to 10%. This adjustment can only be made one time during the Term Period at anytime after the first 24 months of the Term Period (beginning with the establishment of the Year 3 MARC). To exercise this option, the Customer must notify the Telephone Company, in writing, at least 60 days prior to the Anniversary Date.

(2) The MARC adjustment shall apply prospectively only. If the Customer exercises this option, reduced discounts (as specified in Table D Section 41.48.5 (B)) will apply for the remainder of the Term Period and certain provisions of the Contract Offer will no longer apply as provided in Section 41.48.5(B). Also, if the Customer exercises this option, any MARC adjustments associated with SLA penalties offered in Section 41.48.5 shall not apply for the remaining years of the Term Period.

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) MARC Adjustments (Cont'd)

(2) (Cont'd)
If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 41.48.7, reduced discounts will remain for the life of the Term Period, and discounts previously received during that contract year will not be re-rated provided the Eligibility Criteria in Section 41.48.2 and Terms and Conditions in Section 41.48.3 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 41.48.5(B).

(3) The MARC will be adjusted automatically pursuant to SLA measurement guidelines specified in Section 41.48.5, unless the MARC adjustment option discussed in Section 41.48.4.C.1 is exercised.

(D) Failure to Achieve the MARC

The Customer and Telephone Company agree to exchange information quarterly, and meet quarterly, if necessary, to review the Customer's progress toward achieving the MARC for the term year and Telephone Company's progress on SLA targets. The Customer and Telephone Company agree that they will meet in the ninth month of each term year to discuss and address, if necessary, compliance with the Terms and Conditions of the Contract Offer prior to the Anniversary Date.

If the Customer fails to achieve the annual MARC commitment as of the Anniversary Date of each year of the Term Period, the Customer will be notified by the Telephone Company.

The Customer must remit an Annual True-Up payment, the amount of which will be calculated as the difference between the annual MARC for the current term year and the actual recurring annual revenue for the Contributory Services during that term year.

If the Telephone Company does not receive the Annual True-Up amount within 30 days of the Customer's receipt of its notification, the Customer shall be deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 41.48.9.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits

(A) Discount Schedule and Application

(1) Table C contains the level of discounts for this Contract Offer 48.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	0%	0%
2	5%	5%
3	10%	10%
4	11%	11%
5	12%	12%

Example for Year 2:
Customer's MARC = $26.5M
Customer's annual recurring revenues for Contributory Services = $32M
Customer's annual recurring revenues for Subject Services = $30M
Customer will receive a 5% discount on $30M (issued annually in accordance with subsection (2)

(2) The Customer will receive the 0%, 5%, 10%, 11%, or 12% discount (depending on the year outlined in Table C) on annual recurring revenues for Contributory Subject Services, provided that the Customer meets or exceeds the MARC. The discount will be applied no later than 60 days after each Anniversary Date. Recurring revenue generated from Subject Services that were not included in this Contract Offer at the time of subscription are not eligible for discounts under this Contract Offer unless and until those Contributory Subject Services have been added to this Contract Offer pursuant to Section 41.48.2, Section 41.48.4 Section 41.48.7 or Section 41.48.8.

(B) MARC Adjustments - Discount Schedule and Application

Table D outlines discounts that the Customer will be eligible to receive following a MARC adjustment option pursuant to Section 41.48.4 (C)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(B) MARC Adjustments - Discount Schedule and Application (Cont'd)

TABLE D

	MARC Discount	Above MARC Discount, if available
MARC Adjustment	Year 3 – 4% Year 4 – 5% Year 5 – 6%	Year 3 – 4% Year 4 – 5% Year 5 – 6%

Following a MARC adjustment, above the MARC discounts are available only if, during any year, the MARC for that year is equal to or greater than the MARC in effect immediately prior to the adjustment.

Example
The Customer's Year 3 MARC is $30M (calculated as revenue from the last quarter in Year 2 x 4). On the Anniversary Date at the beginning of Year 4, the Customer's Year 3 annual recurring revenue for Contributory Services is $25M. The Customer elects to invoke the MARC adjustment option and adjust the MARC downward by 10%. The Customer's Year 4 recalculated MARC is therefore $27M = ($30M x 90%). The Customer must make an Annual True-Up payment for Year 3 in the amount of $5M. If the Customer fails to make the True-Up payment, the Customer will be in default and termination liabilities will apply. Under this scenario, the Customer will not become eligible for the above the MARC discounts provided in table D, above, until the Customer's MARC in a subsequent year equals or exceeds $30M.

(C) Non-Recurring Charges

The Telephone Company will waive installation Non-recurring charges (NRCs) associated with the purchase of Contributory Subject Services pursuant to this Contract Offer. In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis.

In order to receive credits for installation NRCs, the Customer must be in compliance with all terms and conditions of this Contract Offer. Additionally, if the Customer fails to meet the MARC on an Anniversary Date pursuant to Section 41.48.4 (A) and/or fails to pay the Annual True-Up as defined in Section 41.48.4 (D), termination liability charges will apply as set forth in Section 41.48.9.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(C) Non-Recurring Charges (Cont'd)

The Customer must pay all other applicable non-recurring charges, including but not limited to rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges as described in Southwestern Bell F.C.C. No. 73, Section 5.3 for Subject Services pursuant to this Contract Offer.

(D) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of Contributory Subject Services. 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 these charges on a quarterly basis. In order to receive credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all terms and conditions of this Contract Offer.

(2) The Customer shall be permitted to move and/or disconnect Contributory Subject Services from any of the identical Contract Offers, as described in Section 41.48.2.B.

(3) DS1 Services must have been in service for a minimum of one (1) month from the original installation date.

(4) DS3, [(1)] and [(1)] Services must have been in service for a minimum of one (1) year from the original installation date.

(5) [(1)], [(1)] and [(1)] Services must have been in service for a minimum of three (3) years from the original installation date

(6) If, and to the extent that [(1)] becomes eligible for pricing flexibility, [(1)] may, at the Customer's option, become a Contributory Subject Service included in this Contract Offer. If so, such [(1)] service shall be eligible for portability provided that, for each [(1)] circuit to be ported:

[(1)] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48. Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(D) Portability (Cont'd)

(6) (Cont'd)

(a) facilities necessary to provide [1], as specified in F.C.C. No. 73, Section 43, exist at the end user location in which the circuit is being moved; and
(b) the circuit has been in service for a minimum of one (1) year from the original installation date.

If the Customer fails to meet the MARC on a contract anniversary date pursuant to Section 41.48.4 (A) and/or fails to pay the Annual True-Up as defined in Section 41.48.4 (D), termination liability charges will apply as set forth in Section 41.48.9.

(E) Service Level Assurance (SLA) Performance

Customer will be eligible for additional credits and/or MARC adjustments based upon the quality of service delivered by the Telephone Company during the Term Period of this Contract Offer. Pursuant to this Contract Offer, SLA credits and MARC adjustments will apply in the event the Telephone Company's SLA service performance level objectives are not met.

SLA performance targets are established for a twelve (12) month interval commencing with the subscription date of this Contract Offer.

The service performance targets will be based on the following four (4) measured service components:

(1) Percent Network Availability: The percent of the time all DS1, DS3 and [1] circuits are in service compared to the total expected availability during the reporting period factoring in both failure frequency and time to repair.

(2) Mean Time To Repair (MTTR) of DS1 circuits: The average time it takes the Telephone Company to repair all of the Customer's DS1 circuits during the reporting period.

(3) Mean Time To Repair (MTTR) of DS3 and [1] circuits: The average time it takes the Telephone Company to repair all of the Customer's DS3 and [1] circuits during the reporting period.

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(E) Service Level Assurance (SLA) Performance (Cont'd)

(4) On Time Delivery – Due Date: Calculated by dividing the number of Customer requests for new service and rearrangements of existing service that were missed for Telephone Company reasons by the total number of new service requests and rearrangements of existing service completed during the reporting period. The date used to determine whether or not the service request was missed is the service confirmation date provided on the Firm Order Confirmation (FOC). This measurement will apply to all of the Customer's DS1, DS3 and [1] services.

Table E outlines the SLA performance targets for each measured service in each contract year.

Table E

Measured Service	Year 1 Target	Year 2 Target	Year 3 Target	Year 4 Target	Year 5 Target
% Network Availability (DS1-[1])	99.93%	99.96%	99.96%	99.99%	99.99%
MTTR (DS1 only)	4:45	4:30	4:30	4:15	4:15
MTTR (DS3 & [1])	3:15	3:15	3:00	3:00	3:00
On Time Delivery – Due Date (DS1-[1])	96.00%	96.50%	96.500%	97.00%	97.00%

(F) SLA Performance Penalties
At the conclusion of each Anniversary Date, the 12-month averages based on Telephone Company's provided results for each measured service will be compared to its corresponding target in Table E. For each measurement that is not achieved by the Telephone Company, the Customer will be eligible to receive credits as outlined in subsection (1) and MARC adjustments as outlined in subsection (2).

(1) The Customer will be eligible for the following credit amounts, as set forth in Table F. For each measurement that is not achieved by the Telephone Company after each Anniversary Date, credits will be paid into a Telephone Company account held on the Customer's behalf.

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(F) SLA Performance Penalties (Cont'd)

(1) (Cont'd)

Immediately following the Customer's subscription to this Contract Offer, the Telephone Company will establish a holding account with an initial balance of $300,000. The initial balance of the holding account represents the total, aggregate amount that the Customer will be eligible to receive across the regions identified in Section 41.48.2 (B) of this Contract Offer. The credit account will be applied for the purpose of improving service delivery and performance. The Customer and Telephone Company will cooperate in good faith to identify and plan appropriate service and/or service performance projects, which shall be planned and completed as Special Construction. The Telephone Company will follow the Special Construction guidelines provided in F.C.C. Tariff No. 69 for work performed pursuant to this provision, including standard time and materials rates, and shall be subject to any applicable additional charges for expediting or overtime. Work performed pursuant to this provision shall be credited to a designated BAN of the Customer's choice. The amount will be deducted from the SLA credit holding account. After the first Anniversary Date, the Telephone Company will annually add to the holding account the credit amount due to the Customer for each SLA measurement not met.

The Customer and the Telephone Company will work together to create a project schedule designed to ensure that projects are completed by the Telephone Company prior to the end of each term year.

The initial balance must be used within the first 12 months following the receipt of a signed LOS. Any amount remaining from the initial balance will not be allowed to carry over to Year 2 and will be forfeited. Any credit due to the Customer at the end of term Year 5, will be available to the Customer in the holding account for the 12-month period subsequent to the end of the Term Period. Annual SLA performance credits must be used within the year after the credits were issued, and cannot be rolled over into the following year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(F) SLA Performance Penalties (Cont'd)

(1) (Cont'd)

Any amounts left over, after the year following the issuance of the credits, will be forfeited provided, however, that projects on the project schedule that are not completed at the end of the term year can be completed in the subsequent year and any allocated amounts associated with that project shall not be debited from the following year's holding account balance. If the Telephone Company fails to complete an agreed upon project on the project schedule at any time during the Term Period, the amount allocated for that project shall be carried over until the agreed upon project has been completed.

Table F

Service Quality Measure	**Annual Credit if SLA Target not Met**
% Network Availability (DS1-[1])	$100,000
MTTR (DS1 only)	$100,000
MTTR (DS3 & [1])	$100,000
On Time Delivery – Due Date (DS1-[1])	$100,000

The credits in Table F are the total, aggregate amounts that the Customer will be eligible to receive across the five regions identified in Section 41.48.2.B of this Contract Offer.

(2) The Customer will be eligible for the following MARC adjustments in Table G for each measurement that is not achieved by the Telephone Company at each Anniversary Date. However, if the Customer exercises the MARC adjustment option specified in Section 41.48.4, the MARC adjustments in Table G will not apply in the year that the MARC adjustment option is exercised and for the remaining years of the contract.

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.5 Discounts and Other Credits (Cont'd)

(F) SLA Performance Penalties (Cont'd)

(2) (Cont'd)

Table G

Service Quality Measure	**Year in which Adjustment Applies**	**MARC Adjustment**
% Network Availability (DS1-[1])	2	Decrease ½ %
MTTR (DS1 only)	2	Decrease ½ %
MTTR (DS3 & [1])	2	Decrease ½ %
On Time Delivery – Due Date (DS1-[1])	2	Decrease ½ %
% Network Availability (DS1-[1])	3, 4 or 5	Decrease 1%
MTTR (DS1 only)	3, 4, or 5	Decrease 1%
MTTR (DS3 & [1])	3, 4, or 5	Decrease 1%
On Time Delivery – Due Date (DS1-[1])	3, 4, or 5	Decrease 1%

Example:
The percent decrease will be applied to the recalculated annual MARC. For example, the Customer's Year 4 MARC is set for $33M [(previous 3 months billing at end of Year 3) X 4]. The Telephone Company achieved 1 out of the 4 measurements in Year 3. The Year 4 MARC is then recalculated and set at $32.01M ($33M X 97%).

41.48.6 Assignment and Transfer

Subject to the provisions set forth in section 41.48.7 regarding mergers and acquisitions, if the Customer wishes to assign or transfer its use of services under this Contract Offer No. 48, pursuant to F.C.C. No. 73, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.1.2, unless:

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.6 Assignment and Transfer (Cont'd)

(1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 company 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 "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.

41.48.7 Mergers and Acquisitions Involving the Customer

(A) The Terms and Conditions of Contract Offer No. 48 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Contributory Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Contributory Services of the other company involved in the merger or acquisition will not be used in calculations of the MARC as discussed in Section 41.48.4 (A) or calculations to achieve the MARC discussed in Section 41.48.4 (B) or in the calculation of the Access Service Ratio discussed in Section 41.48.3(E), except as permitted by one of the provisions in this subsection.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(A) (Cont'd)

(1) The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 41.48.2 and 41.48.3 in order to exercise the provisions under this subsection.

(2) Recurring revenue from Contributory Services from the other entity involved in the merger or acquisition cannot be applied to, or eligible for, any incentives or discounts contained in this Contract Offer, except as expressly permitted by one of the provisions herein.

(3) The Customer shall have four options (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. The Customer may elect only one of those options with respect to any particular merger or acquisition. If the Customer does not exercise any of those options in the manner provided herein, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the Calculation of the MARC or Calculations to Achieve the MARC discussed in Section 41.48.4 (A) & (B), nor will such revenues be eligible for any discounts provided under this Contract Offer, nor will the Telephone Company apply existing or future Special Access or Wholesale Service revenues from the other company or companies in calculating the Access Service Ratio in Section 41.48.3(E).

(4) The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. 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.

(5) If the Customer has selected, but not yet fully implemented, one of the options provided herein, the MARC, and any MARC adjustment calculation as provided in Section 41.48.4, will apply only to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(A)(Cont'd)

(6) The Customer cannot combine any of the Merger and Acquisition provisions in this subsection.

(7) The Telephone Company will calculate the actual recurring annual revenue of the other company involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection in the same manner such revenue would be calculated for purposes of performing the annual recalculation of the MARC under this Contract Offer. Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn the above the MARC discounts discussed in Section 41.48.5 (A)(2) of this Contract Offer for revenue from the other company involved in the merger or acquisition. After the Customer has fully implemented one of the provisions in this subsection, the Customer will be eligible for above the MARC discounts provided in Section 41.48.5(A)(2) for recurring annual revenue above the new combined MARC.

(B) Mergers and Acquisitions Affecting Access Service Ratio

(1) If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of the recurring revenue from Contributory Services from the other company or companies involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 41.48.3 (E), the Customer must select from Option 1 or 2 of this Section 41.48.7(B), below, to incorporate any recurring annual revenues from the other company involved in the merger or acquisition into this Contract Offer.

(2) The Customer must fully conform to Access Service Ratio within 18 months of the Transaction Close Date and must comply with the Access Conversion Schedule provided in Table H.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(2) (Cont'd)
As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Access Services Ratio, as provided in Section 41.48.3(E), MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 41.48.3(E).

(3) If, at any time the Customer does not comply with the Access Conversion Schedule provided in Table H, MARC discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will then have 60 days to comply with the Access Conversion Schedule. If the Customer does not comply within 60 days, this Contract Offer shall be deemed to be in default, and the Telephone Company shall have the right to terminate this Contract Offer. Upon such termination, termination liability charges will apply as provided in Section 41.48.9. Notwithstanding the foregoing, if the Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, MARC discounts will continue to apply, the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 41.48.3(E), and this Contract Offer will not be considered in default, provided, however, that each party shall exercise best efforts to comply.

Table H outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table H: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5th	85%
6th	100%

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(3) (Cont'd)

a) Option 1

(i) The Customer must establish a temporary combined MARC by adding to the Customer's then current MARC at least 85%, but not more than 100% (at the Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition, for a period not to exceed 18 months from the Transaction Close Date. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual recalculation of the MARC under this Contract Offer.

(ii) The Customer must exercise this option within 60 days following the Transaction Close Date.

(iii) This option is not available in Year 5 of the Term Period.

(iv) A permanent combined MARC will be established no later than 18 months following the transaction Close Date using the following calculation, based on a calculation of the Customer's combined recurring annual revenue.

(a) The calculation of the Customer's combined annual recurring revenue shall include all Contributory Services for the combined company resulting from the merger or acquisition. The calculation of the Customer's combined permanent MARC shall be performed in the same manner as the annual MARC calculations provided in Section 41.48.4(A), above. Following the calculation of the combined permanent MARC, the MARC shall be recalculated for each year remaining in the Term Period, and the MARC-related terms and conditions of this Contract Offer shall be applied to the combined company, in the same manner as would otherwise apply under this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(3) (Cont'd)

a) Option 1 (Cont'd)

(iv) (Cont'd)

(b) Notwithstanding anything to the contrary in this Contract Offer, the permanent combined MARC must be at least 85% of temporary combined MARC as defined in Section 41.48.7.C.(1)(a)

(b) Option 2

(i) The Customer shall establish a combined MARC by adding to the Customer's then-current MARC at least 85%, but not more than 100% (at the Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual recalculation of the MARC under this Contract Offer.

(ii) The Customer must exercise this option within 60 days following the Transaction Close Date.

(iii) This option is not available in Year 5 of the Term Period.

(C) Mergers and Acquisitions not Affecting Access Service Ratio

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 41.48.3 (E), the Customer must select from Option 3 or 4 of this Section 41.48.7(C) to incorporate into this Contract Offer any recurring annual revenues from the other company involved in the merger or acquisition.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(C) Mergers and Acquisitions not Affecting Access Service Ratio (Cont'd)

(1) Option 3

(a) The Customer shall establish a temporarycombined MARC by adding at least 85%, but no more than 100% (at Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition, for a period not to exceed 12 months from the Transaction Close Date. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual calculation of the MARC under this Contract Offer.

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.

(c) This option is not available during Year 5 of the Term Period.

(d) A permanent combined MARC will be established no later than 12 months following the Transaction Close Date, based on a calculation of the Customer's combined recurring annual revenue.

(i) The calculation of the Customer's combined annual recurring revenue shall include all Contributory Services for the combined company resulting from the merger or acquisition. The calculation of the Customer's combined permanent MARC shall be performed in the same manner as the annual MARC calculations provided in Section 41.48.4(A), above. Following the calculation of the combined permanent MARC, the MARC shall be recalculated for each year remaining in the Term Period, and the MARC-related terms and conditions of this Contract Offer shall be applied to the combined company, in the same manner as would otherwise apply under this Contract Offer.

(ii) Notwithstanding anything to the contrary in this Contract Offer, the permanent combined MARC must be at least 85% of temporary combined MARC as defined in Section 41.48.7(C)(1)(a).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.7 Mergers and Acquisitions Involving the Customer (Cont'd)

(C) Mergers and Acquisitions not Affecting Access Service Ratio (Cont'd)

(2) Option 4

(a) The Customer shall establish a combined MARC by adding to the Customer's then-current MARC at least 85%, but not more than 100% (at the Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual calculation of the MARC under this Contract Offer.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in Year 5 of the Term Period.

41.48.8 Merger or Acquisition Involving the Telephone Company
In the event that the Telephone Company, or the corporate parent of the Telephone Company, or any affiliate of the Telephone Company or its corporate parent, in whole or in part, merges with, acquires, 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), and the Customer purchases special access services from the other company, then the following terms and conditions will apply:

(A) If the Customer purchases any interstate special access services from the merged or acquired company, and such special access services are or become eligible for pricing flexibility, the Customer may include those special access services in this Contract Offer, subject to any terms or conditions of any contracts or tariffs pursuant to which the Customer is purchasing such special access services prior to the merger or acquisition, including any terms or conditions regarding termination liability. If the Customer chooses to include the services subject to the merger or acquisition in this Contract Offer, they shall become Contributory Subject Services within the meaning of this Contract Offer at the time they are included in this Contract Offer. At the time such Contributory Subject Services are included in this Contract Offer, the MARC shall be recalculated, including both the recurring annual

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.8 Merger or Acquisition Involving the Telephone Company (Cont'd)

(A) (Cont'd)
revenues of the Contributory Services provided to the Customer prior to the merger or acquisition, and the recurring annual revenues of the additional Contributory Subject Services previously provided by the merged or acquired Company.

(B) The Customer must notify the Telephone Company in writing, within 120 days of the Transaction Close Date, of any Contributory Services from the merged or acquired company that Customer wishes to include in this Contract Offer. Discounts and credits specified in Section 41.48.5 will not apply to services from the merged or acquired company until the MARC has been recalculated to reflect the additional Contributory Services included in this Contract Offer as a result of the merger or acquisition. The MARC recalculation to include these services will occur at the Customer's next Anniversary Date following receipt of the Customer's written notice described above.

41.48.9 Termination Liability

(A) Termination Liability Charges
Termination liability language described below applies in lieu of the termination liability language described in Southwestern Bell Tariff F.C.C. No. 73, Sections 7, [1] and [1]. If the Customer terminates Contract Offer No. 48 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), 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. The Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 41.48.2, or fails to meet any of the Terms and Conditions in Section 41.48.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 48, and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 73, Section 2.5.

[1] See footnote (1) on page 41-392.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.9 Termination Liability (Cont'd)

(A) Termination Liability Charges (Cont'd)

The Customer's termination liability charge shall be equal to the following :

If the Customer terminates the Contract Offer prior to the expiration of a term year, 100% of all Discounts (including non-recurring charges and early termination charges) received under Contract Offer No. 48 for the preceding six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 10.0% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.

(3) If terminated in Year 3, 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10.0% of the Year 5 MARC for the remaining portion of Year 5.

(B) New Technology Termination

If the Customer wishes to move its services to new alternative technology (such as Broadband over power lines, Wi-MAX, DWDM, or optical switching technologies), the Customer shall qualify to reduce the MARC termination liability charges as detailed above by 50% in Year 4 and/or 5 of this Contract Offer as long as the conditions in this subsection are met. The Customer shall have the right to move its services to new alternative technology and receive reduced termination liability as long as Eligibility Criteria in Section 41.48.2 and all Terms and Conditions in Section 41.48.3 are met. The Customer must provide documentation that reasonably demonstrates that the new technology is an alternative to existing Subject Services and that the rates, terms and conditions for the new technology are more favorable to the Customer than the rates, terms and conditions provided under this Contract Offering.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.48 Contract Offer No. 48 – Special Access Service Offer (Cont'd)

41.48.9 Termination Liability (Cont'd)

(B) New Technology Termination (Cont'd)

For example, if the Customer wishes to terminate this Contract Offer due to a new technology in Year 4 of the Contract Offer, the termination liability charge would be equal to 100% of discounts applied during the previous six-months as well as 6.25% of the Year 4 MARC for the remaining portion of Year 4, plus 6.25% of the Year 4 MARC for Year 5.

The Customer must notify the Telephone Company in writing at least 90 days prior to the start of Year 4 if the Customer wishes to terminate in Year 4 and invoke this provision or at least 90 days prior to the start of Year 5 if the Customer wishes to terminate in Year 5 and invoke this provision. This notification must include the date upon which the Customer will terminate the Contract Offer. Additionally, this provision is only available to the Customer if it has not exercised the 10% MARC adjustment option as detailed in Section 41.48.4 (C).

(C) New Special Access Service Offerings

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, the Customer will be permitted to enter into a new contract offer or other contract 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 under this Contract Offer, provided however, that the Customer's contract offer or other contract or tariff governing the new service offerings must include a term period and revenue commitment that are the same as, or greater than, this Contract Offer.

(D) This Section 41.48.9 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 48, except for charges due and payable for Contributory Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 41.48.9.

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41. Pricing Flexibility Contract Offerings

41.49 Contract Offer No. 49 – DS3 Service Offer

41.49.1 General Description

DS3 Service Offer (Contract Offer No. 49) is an access discount plan that offers Customers located in the Phase 1 and Phase 2 Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs)listed in Section 41.49.2(A), herein, to pay the rates described in Section 41.49.7, herein, for new DS3 special access services upon subscription to this Contract Offer. Contract Offer No. 49 is available to any Customer for the purchase of up to sixty (60) new DS3 Special Access services as described in Section 41.49.3(B). The Customer must meet the eligibility criteria as set forth in Section 41.49.2 and also must comply with the terms and conditions set forth in Section 22.49.3

Contract Offer No. 49 is only available from June 04, 2005 through July 04, 2005.

41.49.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive discounts under Contract Offer No. 49:

(1) Service must be a pricing-flexibility-qualified access service, described in Section 41.49.2(B);

(2) Service must be in one of the following Pricing Flexibility MSAs only: Kansas City KS & Kansas City Mo;

(B) Contract Offer No. 49 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity Service (DS3)- Southwest Tariff F.C.C. No 73, Section 7.3.10 for Phase 1 and Section 39.5.2.7 for Phase 2 MSA’s

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 – DS3 Service Offer (Cont'd)

41.49.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives the Letter of Subscription.

The DS3 service term period (Service Term) for each new DS3 purchased is five (5) years commencing on the date the access service order is completed.

At expiration of the Term Period, any Subject Services purchased pursuant to the terms of this Contract Offer, shall be provided at the otherwise applicable rates for 5 year term pursuant to FCC Tariff 73 Section 7.3.10 for Phase 1 MSAs and Section 39.5.2.7 for Phase 2 MSAs.

Rate stability under this Contract Offer applies only to the rates specific to Contract Offer No. 49. Purchase of the services listed above under Contract Offer No. 49 is also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such rates and charges may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 49.

(B) Terms and Conditions

(1) Contract Offer No. 49 is available only from June 04, 2005 through July 04, 2005;

(2) To subscribe to Contract offer No. 49, the Customer must submit a Letter of Subscription to the Telephone Company;

(3) If the Customer should discontinue service under Contract Offer No. 49 during the Term Period, termination liability charges will apply in accordance with Section 41.49.8;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 – DS3 Service Offer (Cont'd)

41.49.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(4) If the Customer requests modifications to the Contract Offer No. 49 network design, originally constructed for the Customer under Contract Offer 49, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangement, node moves, ring design provisioning changes and customer premise rearrangements;

(5) The Customer is limited to the purchase of sixty (60) DS3's in the MSA's described above.

(6) The DS3 Subject Services are limited to Channel Mileage Fixed, Channel Mileage per mile and DS3 Multiplexer rate elements only.

(7) If the Customer requests additional service features and functions not included in 41.49.2.(B), the Customer must pay the applicable tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services;

(8) The Customer cannot subscribe to, or include, Subject Services subscribed to any other Contract Offer;

(9) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38;

(10) A Special Access Network Optimization credit of $10,760 will be credited to the Customer at the end of the twelve (12) month period after signing the LOS.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 – DS3 Service Offer (Cont'd)

41.49.4 Portability of Existing Subject Services

The Telephone Company will waive termination liability Charges for moves and/or disconnection of new Subject Services after services have been in service for a period of one (1) year, provided that the Customer complies with the Terms and Conditions of this Contract offer, including but not limited to, Sections 41.49.3 and 41.49.5. 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 these charges on a quarterly basis. To receive the credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;

(2) The Customer must be current on billing for existing services within 60 days of exercising this option;

(3) DS3 services must have been in service for a minimum of one (1) year from the original installation date;

41.49.5 Assignment and Transfer

(A) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 49 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 - DS3 Service Offer (Cont'd)

41.49.5 Assignment and Transfer (Cont'd)

(A) (Cont'd)

(1) (cont'd)

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 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.

41.49.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 – DS3 Service Offer (Cont'd)

41.49.7 Rates and Charges

(A) DS3 Rates:
Customer shall pay the following Monthly Recurring Charge (MRC) for the services as described above. Unless noted otherwise rates are inclusive for all zones.

DS3 Interoffice Transport Rate MRC	**60 month term**
• Interoffice Channel Mile Fixed -USOC 10XHX • Interoffice Channel Mileage – Per Mile - USOC 1J5HS • and applicable Central Office Multiplexing DS3 to DS1 - USOC MKM	$815

The Telephone Company shall waive the following Non-Recurring charge (NRC) associated with the purchase of qualifying DS3 Services for Customers subscribed to Contract Offer No. 49.

Installation Charge - KS & Mo Zone 1,2,& 3
USOC NRBMG as defined in FCC Tariff 73, Section 39.5.2.12 (E);

(B) Any rate elements not described herein will continue to be billed at tariff rates as described in Metropolitan Statistical Area (MSA) Section 39 or Special Access Service Section 7.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.49 Contract Offer No. 49 – DS3 Service Offer (Cont'd)

41.49.8 Termination Liability

If the Customer terminates Contract Offer No. 49 or individual Subject Services included under this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Section 7. The Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates this Contract Offer before the completion of the term period for any reason, or if the Customer is not in compliance with Terms and Conditions in Section 41.49.3. These charges shall become due as of the effective date of the termination, and are payable within 30 days of the invoice date.

The Customer's termination liability charges for termination of service shall be equal to 50% of all monthly recurring charges for the balance of the Customer's five (5) year Term Period, and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) months remaining in a sixty (60) month term period, then the termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

41. Pricing Flexibility Contract Offering

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term

41.50.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.50.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.50.2Contract Terms

(A) Contract Offering No. 50 is available during the purchase period, which begins June 8, 2005 and ends December 8, 2005.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer’s initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 50.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 50 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.50.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 50 is one year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 50 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 50 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 50 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 50.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 50 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.50.2(L). The termination charge for Contract Offering No. 50 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 50 terminated and the termination charges described in 41.50.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.50.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.50.2 Contract Terms (Cont’d)

(L) The customer may elect to discontinue Contract Offering No. 50 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.50.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user’s premises to which Contract Offering No. 50 was provided,

(3) The new service has a contract term that exceeds the time remaining in the customer’s initial contract term for Contract Offering No. 50, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer’s initial contract term for Contract Offering No. 50.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company’s intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 50 terminated. If Contract Offering No. 50 is terminated during the initial contract term, the termination charges described in 41.50.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.50.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.50.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.50.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.50 Contract Offering No. 50 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.50.3 Rate Regulations (Cont’d)

(A) Types of Rate and Charges (Cont’d)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term

41.51.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.51.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.51.2 Contract Terms

(A) Contract Offering No. 51 is available during the purchase period, which begins June 8, 2005 and ends December 8, 2005.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 51.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4, for Contract Offering No. 51 is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.51.2 Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 51 is two years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 51 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 51 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 51 upon thirty days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 51.

(J) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 51 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.51.2(L). The termination charge for Contract Offering No. 51 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 51 terminated and termination charges described in 41.51.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one half of the nonrecurring charge to install service as reflected in 41.51.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.51.2 Contract Terms (Cont'd)

(L) The customer may elect to discontinue Contract Offering No. 51 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.51.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 51 was provided,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 51, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 51.

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 51 terminated. If Contract Offering No. 51 is terminated during the initial contract term, the termination charges described in 41.51.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.51.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.51.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.51.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.51 Contract Offering No. 51 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.51.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term

41.52.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.52.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four. A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.2 Contract Terms

(A) Contract Offering No. 52 is available during the purchase period, which begins June 8, 2005 and ends December 8, 2005.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 52.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4, for Contract Offering No. 52 is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.2Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety days following the Application Date described in 5.2.1(C).

(B) The initial contract term for Contract Offering No. 52 is three years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Contract Offering No. 52 will be automatically renewed for successive one month renewal terms. The customer may terminate Contract Offering No. 52 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty days before the initial contract term expires. The customer or the Telephone Company may terminate Contract Offering No. 52 upon thirty days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 52.

(G) If the customer discontinues AA+ Transport Service purchased under Contract Offering No. 52 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.52.2(L). The termination charge for Contract Offering No. 52 is fifty percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.2Contract Terms (Cont'd)

(A) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 52 terminated and the termination charges described in 41.52.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The customer may elect to discontinue Contract Offering No. 52 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.52.2(J) when all of the following conditions are met:

(1) The customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 52 was provided,

(3) The new service has a contract term that exceeds the time remaining in the customer's initial contract term for Contract Offering No. 52, and,

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the customer's initial contract term for Contract Offering No. 52.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.2Contract Terms (Cont'd)

(M) A minimum of four DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the customer will have thirty days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four DS0 channel minimum. If the customer fails to connect the additional services during the thirty day period following notification, the Telephone Company considers Contract Offering No. 52 terminated. If Contract Offering No. 52 is terminated during the initial contract term, the termination charges described in 41.52.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.52.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.52 Contract Offering No. 52 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.52.3 Rate Regulations

(A) Types of Rate and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 53 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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41. [1]

[1] See footnote (1) on page 41-450.

41. [1]

[1] See footnote (1) on page 41-450.

41. [1]

[1] See footnote (1) on page 41-450.

41. [1]

[1] See footnote (1) on page 41-450.

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41. Pricing Flexibility Contract Offerings

41.54 Contract Offering No. 54 - 2005 Access Extension Offer

41.54.1 General Description

Contract Offer No. 54 - 2005 Access Extension Offer is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Nevada Bell Telephone Company Tariff F.C.C. No. 1, The Southern New England Telephone Company Tariff F.C.C. No. 39, and Pacific Bell Telephone Company Tariff F.C.C. No. 1. (Ameritech, Southwestern Bell Telephone Company, Nevada Bell Telephone Company, The Southern New England Telephone Company, and Pacific Bell Telephone Company shall be identified herein as the Qualified Companies). To be eligible for discounts under this Contract Offer, the Customer must meet the Eligibility Criteria set forth in Section 41.54.2 and also must comply with all terms and conditions of this Contract Offer. (Nx)

Contract Offer No. 54 requires eligible customers to establish and maintain a Total Revenue Commitment (TRC), as described in Section 41.54.6 following. The TRC shall include all Contributory Services purchased from the Qualified Companies eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 41.54.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.54.5, Table 4, herein. Contributory Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described in Section 41.54.5 must be purchased through the SBC wholesale sales channel (SBC Industry Markets).

(x) Issued under Authority of Special Permission No. 05-037 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.2 Eligibility Criteria (Cont'd)

(Nx)

The following eligibility criteria must be met to subscribe to Contract Offer No. 54:

(A) Managed Value Plan (MVP) Subscription

(1) At the time of subscription to this Contract Offer, the Customer must have MVP agreements pursuant to

(a) SWBT Tariff F.C.C No. 73, Section 38; and
(b) Ameritech Tariff F.C.C. No. 2, Section 19; and
(c) Pacific Bell Tariff F.C.C. No. 1, Section 22. (Nx)

(2) The Customer must maintain eligibility under all MVP agreements until they expire.

(3) Such MVP agreements must all be expiring in 2005.

(B) Customer must have billed revenue from Contributory Services, as listed in Section 41.54.5, net of all discounts, credits, and adjustments equal to or greater than 86.6 percent of 2004 Gross Spend rounded to the nearest million times 7/12's as of August 1, 2005, or must buy up to that amount no later than 60 days after August 1, 2005 in order to qualify and remain qualified for Contract Offer No. 54.

(C) Concurrent Subscription (Nx)

The Customer must concurrently subscribe to the identical contract offer of Contract Offer No. 54 pursuant to the following tariffs:

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 73
(2) Pacific Bell Tariff F.C.C. No. 1, Section 41, Contract Offer No. 65;
(3) Nevada Bell Tariff F.C.C. No. 1, Section 23, Contract Offer No. 4; and
(4) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 18 (Nx)

(D) Discounts applied under Contract Offer No. 54 are applicable for services located in MSA's as listed in Tariff F.C.C. No. 73, Section 39.

(x) Issued under Authority of Special Permission No. 05-037 of F.C.C.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) will begin when the Customer submits a Letter of Subscription (LOS) and will end on December 31, 2005.

(B) Terms and Conditions

(1) The Customer must establish and maintain a TRC as described in Section 41.54.6 following.

(2) Two (2) true-up periods will occur during the Term Period of this Contract Offer:

(a) The first true-up will include all billing with respect to periods from the time of subscription to Contract Offer No. 54, up to and including the final MVP true-up, and will take place no later than 30 days after the expiration of the Customer's final MVP regional contract, as described in 41.54.7 (A).

(b) The final true-up will include all billing with respect to periods from the first day following the expiration of the Customer's final MVP contract, up to and including December 31, 2005, and will take place no later then 30 days thereafter, as described in 41.54.7(B).

(3) MVP credits will continue to apply, if applicable, as described in F.C.C. No. 73, Section 38 until expiration of the MVP agreement. The MVP MATA process (as described in Section 38.3) will take place as part of the first true-up described in Section 41.54.7 herein.

(4) Contract Offer No. 54 is only available for subscription from August 4, 2005 through September 3, 2005.

(5) Any transfer of services from non-SBC wholesale entities/Access Customer Name Abbreviation (ACNA's) will require an equivalent increase in the TRC commitment based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit Amount will not change as a result of the transfer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(6) Customer will be eligible to subscribe to contract offers in Section 41 (or any successor section) filed prior to (providing the subscription window is still open) or after Contract Offer No. 54, as long as such contract offers do not reduce the TRC under Contract Offer No. 54 and the Customer qualifies for and adheres to the terms, conditions and eligibility requirements of the contract offer. For any contract offer which states that subscribers under such contract offer are not eligible to combine such contract offer with other contract offers, the Customer will not be permitted to earn any Achievement Credits with respect to such purchases, except that for any contract offer that by its terms states that nonrecurring charges apply under such contract offer, the Customer will not be eligible to earn Basic or Achievement Credits associated with those nonrecurring charges.

(7) Terms and Conditions for Contributory Subject Services pursuant to other contract offers the Customer is currently subscribed to at the time of subscription to this Contract Offer shall continue to apply to those Contributory Subject Services covered under the other contract offers.

(8) Contributory Services continue to be governed by the respective terms and conditions (including MVP provisions with respect to services subject to MVP for so long as the Customer's MVP subscription remains in effect)as defined in Tariff F.C.C. No. 73, except as noted herein.

(9) The Customer must subscribe to the services available under this Contract Offer No. 54 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service.

(10)The Customer must submit a completed Letter of Subscription (LOS) to the Qualified Companies as described in 41.54.3(A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(11) The Customer must maintain an Access Service Ratio, equal to or greater than 95 percent. The Access Service Ratio is defined in Section 41.54.4 and will be measured monthly.

(12) The Customer must remit bill payments as described in F.C.C. No. 73 Section 2.5 for all Contributory Services via electronic payment process. The Qualified Companies will provide Customer with written notice if customer fails to comply with the requirement. The Customer will have ten (10) business days from receipt of such written notice to comply. If the Customer does not comply, the Qualified Companies shall have the right to terminate this Contract Offer. In the event of termination by the Qualified Companies, termination liability charges as set forth in Section 41.54.11 will apply. Credits, if applicable, will not be issued until the Customer has paid all billed charges

(13) If the Customer discontinues service under Contract Offer No. 54 during the Term Period, termination liability charges will apply in accordance with Section 41.54.11.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.4 Access Service Ratio

(A) As referenced in Section 41.54.3, the Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 95 percent.

The 95-percent ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' current interstate recurring billed revenue associated with the rate elements, as defined in Table 1 below, or comparable interstate access services, from all Qualified Companies:

Table 1:

Service	General/Basic Description
Voice Grade	7.3.4 (A)
Generic Digital Transport (DS0), High Capacity (DS1 and DS3) Services	7.3.9 (A) & 7.3.10 (A) & 20.1
(1)	(1)
(1)	(1)
(1)	(1)

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table 2 herein, from all Qualified Companies not included in the interstate or intrastate access tariff(s).

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, and OCN PTP 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. 54 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

Table 2

Service Level	Associated Rate Elements Not Included in Interstate Tariff
Voice Grade/DS0	2-wire analog and 2-wire digital loops 2-wire analog and digital transport
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
OC-3 OC-12 OC-48	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 Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(3) As new rate elements are introduced to Table 1 in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(4) As new rate elements are introduced to Table 2 in Section 41.54.4(A)(2), all recurring revenues associated with the new rate elements will automatically be added to the Customer's Annual Wholesale Revenue, as defined in Section 41.54.4(A)(1)preceding, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given month of the Term Period, upon notification from the Qualified Companies, the Customer will have ten (10) business days to notify the Qualified Companies in writing that it will meet or exceed the 95-percent Access Service ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and Qualified Companies shall have the right to terminate Contract Offer No. 54. In the event of a termination by Qualified Companies, termination liability charges will apply as set forth in Section 41.54.11 following.

Credits will not be issued until the Customer has met the 95 percent Access Service Ratio.

41.54.5 Contributory Services

The TRC shall include all Contributory Services purchased from the Qualified Companies eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 41.54.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.54.5, Table 4, herein.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services. Customer's TRC includes revenue from all Contributory Services being provided by the Qualified Companies, as listed in Table 3 and 4 below.

Any new Special Access services added to the respective tariffs by Qualified Companies during the Term Period will qualify as Contributory Services and will be deemed to be added to the tables below.

(A) Contributory Subject Services

Contract Offer No. 54 applies to pricing flexibility qualified access services (referred to as Contributory Subject Services) located in pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Tariff F.C.C. No. 73, Section 39. Contributory Subject Services are eligible for discounts and credits under this Contract Offer and are listed in Table 3.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.5 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer and are listed in Table 4.

Table 3 – Contributory Subject Services

Contributory Subject Services	
Interstate Special Access	VG,DS0,DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], DAL, Program Audio, Video
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 41.54.6 following, for all services located in Pricing Flexibility MSA's.	

Table 4 – Contributory Non-Subject Services

Contributory Non-Subject Services	
Interstate Special Access	VG,DS0,DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], [1], DAL, Program Audio, Video
Interstate Switched Transport	Entrance Facility, Direct Transport
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Includes all Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 41.54.6 following, for all non-price flex qualified services.	

All Terms and Conditions for all Contributory Services are governed by their respective tariff sections.

[1] See footnote (1) on page 41-460.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC)

The Customer must establish and maintain a Total Revenue Commitment (TRC) as provided in this Contract Offer. Upon subscription, the Customer TRC will be established based on billed revenue from Contributory Services, as listed in Section 41.54.5, net of all discounts, credits, and adjustments as specified in Section 41.54.6(B)(1)(b)equal to 86.6 percent of 2004 Gross Spend rounded to the nearest million times 5/12's.

Example: Customer's 2004 Gross Spend equals $121.3M. 86.6 percent of $121.3M equals $105M (rounded to the nearest million). 5/12's of $105M equals $43.75M TRC.

$121.3M * 86.6% = $105M/12 = $8.75M * 5 = $43.75M

(A) Gross Spend, as defined in 41.54.6(A)(1),(2),(3),(4),(5), and (6) is calculated by taking the sum of all of the purchases from the Qualified Companies, as described in Section 41.54.5 preceding, based on billed revenue. The Gross Spend is net of all discounts from existing optional payment plans or other tariffs or offers utilized by the Customer as of the date of subscription to this Contract Offer, any renewals, replacements or extensions of the foregoing, and any underlying tariff performance credits, but does not include discounts received under MVP (MARC or SLA credits).

(1) Interstate Special Access recurring charges billed to the Customer associated with services described in Section 41.54.5 Table 3 and 4 preceding.

(2) Interstate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) except as noted in 41.54.6(A)(6).

(3) Intrastate Special Access recurring charges billed to the Customer associated with services described in Section 41.54.5 Table 4 preceding.

(4) Intrastate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) except as noted in 41.54.6(A)(6) below.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(A) (Cont'd)

(5) Interstate Switched Access Dedicated Transport recurring and non-recurring charges (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer for rate elements in Table 5 below.

Table 5

Service	General Basic Description
Entrance Facilities	Section 6.5.1(A)
Direct Trunk Transport	Section 6.5.1(B)

(6) Non-recurring charges detailed in 41.54.6(A)(2),(4), and (5) above exclude Special Construction and unregulated time and materials charges (e.g. Inside Wire, Custom Work Orders, etc.)

(B) Application of Credits

The Customer is eligible to receive two (2) types of credits under this Contract Offer.

(1) Basic Credit

The Basic Credit is equal to the difference between the TRC and the purchase of Contributory Services, up to 148.9 percent of the TRC (rounded to the nearest million). The Customer will receive Basic Credits on Contributory Subject Services.

(a) Calculation of the Basic Credit. To determine the amount of Basic Credit the Customer can achieve, the TRC is multiplied by 148.9 percent. This amount less the TRC will equal the potential eligible Basic Credit rounded to the nearest million. If qualified, award of Basic Credit under this Contract Offer shall satisfy the Qualified Companies' Basic Credit obligations.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) (Cont'd)

Example:

The Customer has 2004 Gross Spend of $121.3M. 86.6 percent of 2004 Gross Spend equals $105M rounded to the nearest million.

The TRC is equal to 5/12's of $105M.
5/12's of $105M equals $43.75M

The eligible total Basic Credit available is;

$43.75 * 148.9% = $65.14M
$65.14M - $43.75M = $21M eligible Basic Credits rounded to the nearest million.

(b) The following credits issued to the Customer associated with the Contributory Services covered under the TRC (MVP Commitment credits, MVP SLA credits, and credit received under the first true-up attributable to this Contract Offer) but not including any discounts or credits described in 41.54.6(B)(1)(c) below, will be used by the Qualified Companies to satisfy any applicable Basic and Achievement Credit obligations under this Contract Offer.

Example:

The Customer has TRC of $43.75M. The Customer achieves 148.9 percent of TRC equal to $65.14M. The Customer has received, or is entitled to receive, a total of $7M in MVP Commitment Credits and $2M in MVP SLA Credits for a total of $9M in credits unrelated to this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(b) (Cont'd)

Table 6

2004 Gross Spend calculated as described above	86.6 percent of 2004 Gross Spend (rounded)	TRC = 5/12's of 86.6 percent 2004 Gross Spend	148.9 percent of TRC as described above (rounded)
$121.3M	$105M	$43.75M	$65.14M

Qualified Companies' Basic Credit obligations to the Customer in the amount of $21M ($65.14M - $43.75M, rounded to the nearest million) under Contract Offer No. 54, as described in Table 6, will be satisfied by the $9M in non-contract related credits acquired by the Customer under MVP and MVP SLA, and $12M in Basic Credits paid related to this Contract Offer. This amount will be determined at the final true-up period once all other credits have been applied accordingly.

(c) MVP Commitment credits applicable to periods prior to 2005, MVP SLA credits applicable to periods prior to 2005, or other credits applicable to periods prior to 2005, other discounts from optional payment plans or other tariffs or offers utilized by the Customer as of the date of subscription to this Contract Offer, any renewals, replacements, or extensions of the foregoing, and any underlying tariff performance credits (other than MVP SLA credits) will not be used to satisfy any applicable Basic or Achievement Credit Obligations under this Contract Offer.

The Customer will not pay less than the TRC for the Term Period, except as described in Section 41.54.8 following. If the Customer does not achieve the TRC through the purchase of Contributory Services as of December 31, 2005, the Customer will be required to pay the deficiency.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(c) (Cont'd)

Basic Credits shall be calculated and awarded on an aggregate basis across the Qualified Companies. If qualified for a Basic Credit, an award of Basic Credit under this Contract Offer shall satisfy any Basic Credit obligations of the other Qualified Companies under the tariff offerings listed in Section 41.54.2(C), and an award of Basic Credit under such other contract offers shall satisfy any Basic Credit obligations under this Contract Offer No. 54.

The total Basic Credit will be increased dollar for dollar to the extent that any amount by which Gross Spend during the Term Period exceeds 148.9 percent of the TRC is attributable to increases in tariff rates effective after March 31, 2005.

Example:

Customer's Gross Spend increased $10M due to applicable tariff rate increases after March 31, 2005.

Customer exceeds 148.9% of TRC by $30M.

Of the $30M, $10M is added to Basic Credit
$20M would receive Achievement Credit equal 17%

(2) Achievement Credits

Achievement Credits are those credits the Customer will receive based on purchases of Contributory Subject Services above 148.9 percent of the TRC.

(a) Achievement Credits are applied to purchase of services as described in Section 41.54.5 in excess of 148.9 percent of the TRC. The amount of applicable credit will be determined based on the amount of Gross Spend above the TRC as defined in Section 41.54.6 preceding, measured at the final true-up period described in Section 41.54.7 below. The Customer will receive a discount on Contributory Subject Services equal to 17 percent of total revenue above 148.9 percent of the TRC.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(2) Achievement Credits (Cont'd)

(a) (Cont'd)

Achievement Credits shall be calculated and awarded on an aggregate basis across the Qualified Companies. If qualified, award of Achievement Credit under this Contract Offer shall satisfy the Qualified Companies' Achievement Credit obligations.

Example:

The Customer has TRC of $43.75M. The Customer achieves 155 percent of TRC equal to $67.8M. The Customer will receive $21M in Basic Credits as described above, and the Customer will receive $452K in Achievement Credits calculated as follows:

($67.8M minus (TRC x 148.9%)) x 17%

$67.8M – $65.14M ($43.75M x 148.9%) = $2.66M
$2.66M x 17% = $452K (Achievement Credits).

Table 7

148.9% of TRC	$65.14M
Gross Spend Achievement during Term Period (GSA)	$67.8M
Difference between 148.9% of TRC and GSA	$2.66M
Credit due for billed revenue above 148.9% of TRC X 17%	$452K

The Customer receives $21M in Basic Credits plus $452K in Achievement Credits for total credits of $21.452M as described in Table 7.

(3) Transfer of Qualified Services

(a) Any transfer of services from non-SBC wholesale entities/ACNA's will require an equivalent increase in the TRC based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit will not change as a result of the transfer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(3) Transfer of Qualified Services (Cont'd)

(a) (Cont'd)

Example: Customer has a TRC of $43.75M and is eligible to earn up to a maximum of $21M in Basic Credits. Customer transfers $10M of services from a non-SBC wholesale entity. The Customer's new TRC will be $53.75M ($43.75M plus $10M = $53.75M). The Customer's maximum Basic Credit ($21M) will not change as a result of the transfer.

41.54.7 True-up Process

To determine TRC achievement, two true-up calculations will be performed as follows:

(A) First True Up - At the expiration of the final regional MVP agreement, the minimum required revenue will be based on the TRC proportionately divided between the months of 2005 in whole or in part under MVP and the months of 2005 not under MVP plus 7/12's of 86.6 percent of 2004 Gross Spend as described in Section 41.54.2 preceding.

Example 1: MVP expires 8/31/05. The Customer must meet a minimum of 1/5 of $43.75M TRC which is equivalent to $8.75M plus 7/12's of 86.6 percent of 2004 Gross Spend as described in Section 41.54.2 preceding.

Example 2: MVP agreements expire 8/31/05 and 10/31/05. The Customer must meet a minimum of 3/5's of $43.75M TRC which is equivalent to $26.25M plus 7/12's of 86.6% of 2004 Gross Spend as described in Section 41.54.2 preceding.

If the Customer's purchase of Contributory Services, after all credits as described above, is greater than the minimum required revenue at time of true-up, the Customer will receive a Basic Credit equivalent to revenue above the minimum required revenue amount.

If the Customer's purchase of Contributory Services, after all credits as described above, is below the minimum required revenue at the time of true-up, the Customer will be billed the amount required to meet the minimum revenue amount and will pay such bill pursuant to Section 41.54.7 (D)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.7 True-up Process (Cont'd)

(B) Final True Up - On December 31, 2005, calculation of final TRC achievement will be made to determine any eligible Basic or Achievement credits.

If the Customer's purchase of Contributory Services, after all credits as described above, is greater than the TRC required at time of true-up, the Customer will receive a Basic Credit against Contributory Subject Services equal to the amount above the TRC not to exceed the amount outlined in Section 41.54.6(B) preceding.

Example 3: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $54M
The Customer will receive Basic Credit equal to $11.75M

If the Customer's purchase of Contributory Services, after all credits as described above, is below the TRC at the time of the final true-up, the Customer will be billed the amount required to meet the TRC amount and will pay such charge pursuant to Section 41.54.7 (D).

Example 4: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $38.75M
The Customer must pay $5M.

If the Customer's purchase of Contributory Services, after all credits as described above, is greater than 148.9 percent of the TRC, the Customer will receive a Basic Credit against Contributory Subject Services equal to the difference between the TRC and 148.9 percent of TRC, and an Achievement Credit against Contributory Subject Services equal to a 17 percent discount on services above 148.9 percent of TRC.

Example 5: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $67.8M.
The Customer receives $21M in Basic Credits and $452K in Achievement credits.

(C) If, at the time of final true-up the Qualified Companies owe the Customer a Basic Credit amount as described above, the credit will be applied to the Customer's bill no later then 30 days after the final true-up date.

(D) If, at the time of true-up, the Customer must buy-up to meet the TRC as described above, payment must be submitted to the Qualified Companies no later than 30 days after the true-up date.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.8 Service Level Agreement (SLA)

The Qualified Companies will calculate the MVP SLA 1 performance measurement point value and the SLA 2 performance measurement, as described in F.C.C. No. 73 Section 38.3.(G), as if it were applicable for the full 2005 calendar year. The Qualified Companies will calculate the MVP SLA 1 performance measurement point value and the SLA2 performance measurement, as described in F.C.C. 73 Section 38.3.(G), as if it were applicable for the full 2004 calendar year. No credits will be rendered with respect to 2005 based on these calculations, but if these calculations show that the Qualified Companies would have paid out a higher amount under the MVP SLAs in calendar year 2005 (if the Customer had been eligible to receive credits under the MVP SLAs through calendar year 2005) than what the Qualified Companies would have paid out under the MVP SLAs in calendar year 2004, the Qualified Companies will determine the difference between what the Qualified Companies paid out under MVP SLA in calendar year 2004 versus what the Customer would have been eligible to receive under MVP SLA if MVP extended through calendar year 2005. If the MVP SLA credit amount the Qualified Companies would have paid out for calendar year 2005 is greater than the MVP SLA credit amount paid out for calendar year 2004, then the MVP SLA credit amount the Customer received in calendar year 2004 will be subtracted from the amount of MVP SLA credit the Customer would have qualified for in calendar year 2005 and, if a positive number, the amount of any difference, less any impact based on an MVP MARC increase, will be deducted from the Customer's TRC.

Any credits due to the Customer resulting from any deduction to the TRC under this section will be determined and applied after the December 31, 2005 true-up process is finalized.

Example A: MVP calendar year 2005 effective SLA credit would be greater than MVP calendar year 2004 SLA credit

The Customer MVP MARC = $30M (with MVP term agreement expiration August 31, 2005)

MVP calendar year 2004 total SLA credit = 1%

$30M * 1% = $300K total SLA credit received by the Customer in calendar year 2004

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.8 Service Level Agreement (SLA) (Cont'd)

Example A: (Cont'd)

MVP calendar year 2005 effective SLA credit the Customer would have received if MVP extended through December 31, 2005 = 2%.

$30M * 2% = $600K total SLA credit the Customer would have received in calendar year 2005.

MVP calendar year 2005 effective SLA credit ($600K) minus MVP calendar year 2004 credit ($300K) = $300K.

The Customer qualifies for a $300K SLA credit to be applied to the Customer TRC.

$105M - $300K = $104.7M (new TRC).

Example B: MVP calendar year 2005 effective SLA credit is less than or equal to MVP calendar year 2004 SLA credit.

The Customer MVP MARC = $30M (with MVP term agreement expiration August 31, 2005).

MVP calendar year 2004 total SLA credit = 1%.

$30M * 1% = $300K total SLA credit received by the Customer in 2004.

MVP calendar year 2005 effective SLA credit the Customer would have received if MVP extended through December 31, 2005 = 1%.

$30M * 1% = $300K effective SLA credit the Customer would have received in 2005.

MVP plan year 2005 effective SLA credit ($300K) minus MVP plan year 2004 SLA credit ($300K) = $0.

The Customer does not qualify for any additional SLA credits toward its TRC.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.9 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 54 pursuant to F.C.C. No. 73, Section 2.2.1. of this Tariff, the Qualified Companies will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1., unless:

(A) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (1) or (2) below, or

(B) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 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.

(2) 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 "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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.10 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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 any services that are Contributory Services under this Contract Offer No. 54 from the Qualified Companies, the Contributory 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.

The terms and conditions of Section 41.54.9 above do not apply when the merger or acquisition occurs in accordance with the provisions outlined in this section 41.54.10.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.11 Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language in F.C.C. No. 73, Section 7. If the Customer terminates Contract Offer No. 54 before the expiration of the Term Period for any reason whatsoever, the Customer must pay the Qualified Companies' termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification 90 days prior to the desired date of termination to the Qualified Companies. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 41.54.2, or fails to meet any of the Terms and Conditions in Contract Offer No 54, then the Qualified Companies shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to return to compliance. If the Customer does not return to compliance within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 54 and termination liability charges will apply as stated below and will be payable within thirty 30 days from the time the contract is deemed terminated.

If the Customer terminates its subscription to this Contract Offer prior to September 30, 2005, the Customer must pay termination liability charges in an amount equivalent to a prorated portion of the TRC based upon the remaining months of the TRC as shown below:

(A) Example:

The Customer's TRC is $43.75M. The Customer terminates the contract on August 31, 2005. The Customer has 4 months remaining on the contract term and will owe $35M in termination liability

$43.75M/5 * 4 = $35M = in termination liability

If the Customer terminates its subscription to this Contract Offer after September 30, 2005, the Customer must pay termination liability charges in an amount equivalent to a prorated portion of the TRC commitment based upon the remaining months of 2005, as well as any credits received under this Contract Offer.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.54 Contract Offering No. 54 – 2005 Access Extension Offer (Cont'd)

41.54.11 Termination Liability Charges (Cont'd)

(B) Example:

The Customer's TRC is $43.75M. The Customer terminates the contract on October 31, 2005. The Customer has 2 months remaining on the contract term and has received $5M in the first true-up under this Contract Offer.

$43.75M/5 * 2 = $17.5M plus
$5M in first true-up

$17.5M + $5M = $22.5M in termination liability

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41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 55 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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41. [1]

[1] See footnote (1) on page 41-478.

41. [1]

[1] See footnote (1) on page 41-478.

41. [1]

[1] See footnote (1) on page 41-478.

41. Pricing Flexibility Contract Offerings

41.56 Contract Offer No. 56 – STN Service Offer

41.56.1 General Description

Contract Offer No. 56 – STN Service Offer is an access discount pricing plan that provides the Customer with discounted rates for new and existing access services. Qualified services under Contract Offer No. 56 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA), as described in Section 41.56.2 (A). Contract Offer No. 56 is available for subscription August 23, 2005 through September 23, 2005. This Contract Offer is not renewable.

All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, except as noted herein.

41.56.2 Eligibility Criteria

The following eligibility criteria must be met for pricing flexibility qualified services (hereafter referred to as Subject Services) to be provided under this Contract Offer:

(A) The Subject Services must be located in the following Pricing Flexibility MSA: Springfield, MO;

(B) Subject Services must be provided in SWBT Tariff F.C.C. No. 73, Section 39.5.2.11 Self Healing Transport Network (STN); and

(C) The Customer's existing STN services must be configured as follows:

(1) One DTL Volume Option (VO) 24 Basic Configuration with 3 nodes; and
(2) Ten miles of Transport.

41.56.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years, commencing on the execution date of the Letter of Subscription.

Upon the expiration of the Term Period, the Subject Services provided under this Contract Offer will be subsequently provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C No. 73, Section 39.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.56 Contract Offer No. 56 – STN Service Offer (Cont'd)

41.56.3 Terms and Conditions (Cont'd)

(A) Contract Subscription

(1) This Contract Offer is available for subscription August 23, 2005 through September 23, 2005.

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

(B) General

(1) The Customer must renew existing Subject Services for a new sixty (60) month minimum period.

(2) If the Customer should discontinue service under this Contract Offer during the first forty-eight (48) months of the Term Period, a termination charge will apply in accordance with Section 41.56.7 for the discontinued services. Services discontinued in the final twelve (12) months of the Term Period will not be subject to a termination charge.

(3) Commingling, as defined in SWBT F.C.C. No. 73, Section 2.6 of Subject Services under this Contract Offer, is prohibited.

(4) The Customer may not include Subject Services provided under this Contract Offer in any other promotional tariff, contract offer, or other discount plan concurrently with this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.56 Contract Offer No. 56 – STN Service Offer (Cont'd)

41.56.4 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.2.1 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) 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 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 "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.

41.56.5 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.56 Contract Offer No. 56 – STN Service Offer (Cont'd)

41.56.6 Rates and Charges

The Customer must pay the following Monthly Recurring Charge (MRC) for each rate element that comprises the Subject Services provided under this Contract Offer.

Rate Elements	**Applicable USOC**	**MRC**
STN DTL Volume Option 24		$12,000.00
Basic Configuration	SHKBX	No charge
Transport	1T5QS	No charge
OC-12 Optical Interface	SBW3E	No charge
OC-3 Optical Interfaces	SBW3C	No charge
Additional DTL	SH3BX	$500.00
DS1 Optical Interfaces	SBW5A	$20.00

Any rate elements not described herein will be subject to the applicable rates and charges outlined in SWBT Tariff F.C.C. No. 73, Section 39.

41.56.7 Termination Liability

The termination liability language contained below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section 19. If during the first forty-eight (48) months of the Term Period the Customer requests termination of this Contract Offer, or requests termination of individual Subject Services provided under this Contract Offer, or is not in compliance with the Terms and Conditions of this Contract Offer, the Customer will be liable for a termination charge. Services discontinued in the final twelve (12) months of the Term Period will not be subject to a termination charge. This charge shall become due as of the effective date of the termination and is payable within 30 days of the billing invoice date.

The termination charge shall be equal to 50% of the recurring charges for the balance of the Term Period and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of 50%) = Termination Charge

Example: Customer has $200,000 in recurring charges. If the service is terminated after thirty-six (36) months and has twenty-four (24) months remaining in a sixty (60) month Term Period, the termination charge would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Charge

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.57 Contract Offer No. 57 – DS3 Service Offer

41.57.1 General Description

DS3 Service Offer (Contract Offer No. 57) is an access discount plan that offers Services located in the Phase 1 and Phase 2 Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs)listed in Section 41.57.2(A), herein, to pay the rates described in Section 41.57.7, herein, for one (1) new DS3 special access service upon subscription to this Contract Offer. The Customer must meet the eligibility criteria as set forth in Section 41.57.2, and also must comply with the Terms and Conditions set forth in Section 22.57.3

Contract Offer No. 57 is only available from August 23, 2005 through September 23, 2005.

41.57.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive discounts under Contract Offer No. 57:

(1) Service must be a pricing-flexibility-qualified DS3 access service with at least 12 miles, as described in Section 41.57.7(A);

(2) Service must be in one of the following Pricing Flexibility MSAs only: Kansas City, KS and Kansas City, MO;

(3) The Customer must provide documentation that an equivalent Subject Service is currently provided or can be provided, by another carrier other than the Telephone Company. Documentation may include, but is not limited to, circuit detail records, invoices or service proposals.

(B) Contract Offer No. 57 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity Service (DS3)- Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section 7.3.10 for Phase 1 and Section 39.5.2.7 for Phase 2 MSA’s.

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 – DS3 Service Offer (Cont'd)

41.57.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is three (3) years commencing on the date the Telephone Company receives the Letter of Subscription.

Upon the expiration of the Term Period, the Subject Services provided under this Contract Offer will be subsequently provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C No. 73, Section 39.

Rate stability under this Contract Offer applies only to the rates specific to Contract Offer No. 57. Purchase of the services listed above under Contract Offer No. 57 is also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such rates and charges may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 57.

(B) Terms and Conditions

(1) Contract Offer No. 57 is available only from August 23, 2005 through September 23, 2005;

(2) To subscribe to Contract offer No. 57, the Customer must submit a Letter of Subscription to the Telephone Company;

(3) If the Customer should discontinue service under Contract Offer No. 57 during the Term Period, termination liability charges will apply in accordance with Section 41.57.8;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 – DS3 Service Offer (Cont'd)

41.57.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(4) If the Customer requests modifications to the Contract Offer No. 57 network design, originally constructed for the Customer under Contract Offer 57, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangement, node moves, ring design provisioning changes and customer premise rearrangements;

(5) The Customer is limited to the purchase of one (1) DS3 special access service under this Contract Offer.

(6) The DS3 Subject Services are limited to Channel Termination, Channel Mileage Fixed, Channel Mileage Variable per mile and DS3 Multiplexer rate elements only.

(7) The Customer cannot subscribe to, or include, Subject Services subscribed to from any other Contract Offer;

(8) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38;

(9) Commingling, as defined in SWBT F.C.C. No. 73, Section 2.6 of Subject Services under this Contract Offer, is prohibited.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 – DS3 Service Offer (Cont'd)

41.57.4 Portability of Existing Subject Services

The Telephone Company will waive termination liability charges issued under this Contract Offer for moves and/or disconnection of Subject Services after services have been in service for a period of one (1) year, provided that the Customer complies with the Terms and Conditions of this Contract offer, including but not limited to, Sections 41.57.2 and 41.57.3. 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 these charges on a quarterly basis. To receive the credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;

(2) The Customer must be current on billing for existing services within 60 days of exercising this option; and

(3) DS3 services must have been in service for a minimum of one (1) year from the original installation date.

41.57.5 Assignment and Transfer

(A) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 57 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 - DS3 Service Offer (Cont'd)

41.57.5 Assignment and Transfer (Cont'd)

(A) (Cont'd)

(2) 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:

(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.

41.57.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 – DS3 Service Offer (Cont'd)

41.57.7 Rates and Charges

(A) DS3 Rates:
Customer shall pay the following Monthly Recurring Charge (MRC) for the Rate Elements as described below. Unless noted otherwise rates are inclusive for all zones.

Rate Elements	**Applicable USOC**	**MRC**
Channel Termination	TUZPX	$1,000.00
Interoffice Mileage- Fixed	10XHX/10XLX	$412.00
Channel Mileage – per Mile	1J5HS/1HXLS	$40.00
Multiplexing DS3 to DS1	MKM	$425.00

(B) Any rate elements not described herein will continue to be billed at tariff rates as described in Metropolitan Statistical Area (MSA) Section 39 or Special Access Service Section 7.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.57 Contract Offer No. 57 - DS3 Service Offer (Cont'd)

41.57.8 Termination Liability

If the Customer terminates Contract Offer No. 57 or individual Subject Services included under this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Section 7. The Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates this Contract Offer before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions in Section 41.57.3. These charges shall become due as of the effective date of the termination, and are payable within 30 days of the invoice date.

The Customer's termination liability charges for termination of service shall be equal to 50% of all monthly recurring charges for the balance of the Customer's three (3) year Term Period, and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after twenty-four (24) months and has twelve (12) months remaining in a thirty-six (36) month term period, then the termination liability would be calculated as:

$200,000 X 12 months X 50% = $1,200,000 Termination Liability

41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.1 General Description

Special Access Service Offer (Contract Offer No. 58) is an access discount pricing plan for which subscription is required to the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT)Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39. Contract Offer No. 58 is available to any Customer with at least $12.0 million in cumulative annual recurring revenue for Contributory Services, as defined in Section 41.58.2(C) and 41.58.4(C). The Customer must meet the Eligibility Criteria set forth in Section 41.58.2 and also must comply with all terms and conditions of this Contract Offer.

Contract Offer No. 58 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period, as defined in Section 41.58.4(A). The MARC shall include all Contributory Services purchased from the Telephone Company or its affiliates available under this Contract Offer. Contributory Services include Contributory Subject Services, as described in Section 41.58.2(C), herein, in addition to the following Contributory Non-Subject Services (that are not Contributory Subject Services) : [1], [1], and [1] services. Contributory Non-Subject Services are not eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described above must be purchased through the SBC wholesale sales channel (SBC Industry Markets). Any [1] and [1] Contributory Services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the website established to make public any agreements for these services. Customers may reference https://primeaccess.att.com.

In the event the Customer does not meet its MARC as of each Anniversary Date of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 41.58.4(E). Notwithstanding the obligation to pay such shortfall payment, if the Customer does not comply with all terms and conditions of this Contract Offer (exclusive of the terms and conditions of non-tariffed agreements referenced herein), termination liability charges, in accordance with Section 41.58.11, shall apply. Contract Offer No. 58 will only be available September 7, 2005 through October 7, 2005.

[1] Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and OCN PTP 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. 58 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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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.1 General Description (Cont'd)

In the event the Customer does not meet its MARC as of each Anniversary Date of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 41.58.4(E). In addition to the obligation to pay such shortfall payment, if the Customer does not comply with all terms and conditions of this Contract Offer (exclusive of terms and conditions of non-tariffed agreements referenced herein), termination liability charges, in accordance with Section 41.58.9, shall apply. Contract Offer No. 58 will be available for subscription from September 7, 2005 through October 7, 2005.

41.58.2 Eligibility Criteria

(A) The Customer must meet the following Eligibility Criteria to subscribe to Contract Offer No. 58, and must continue to meet the Eligibility Criteria as described below throughout the Term Period of this Contract Offer:

(1) Contract Offer No. 58 is available for services located in the following pricing flexibility Metropolitan Statistical Areas (MSAs): Little Rock, Fort Smith, Memphis, AR; Topeka, Kansas City, Wichita, KS; Lawton, Oklahoma City, Tulsa, OK; St. Joseph, Springfield, Joplin, Kansas City, St. Louis, MO; Abilene, Amarillo, Corpus Christi, Longview-Marshall, Lubbock, Midland, Austin-San Marcos, Brownsville-Harlingen, Dallas/Ft. Worth, Houston, McAllen/Edinburg, San Antonio, Tyler, Waco, Wichita Falls, TX.

If the Telephone Company receives pricing flexibility relief in additional MSAs, any eligible Subject Services that the Telephone Company provides to the Customer pursuant to this Contract Offer available in those additional MSAs may, at the Customer's option, be included in this Contract Offer, beginning with the first year after the Telephone Company receives pricing flexibility in those additional MSAs; provided that the MARC increases to reflect the recurring annual revenues associated with the additional Contributory Subject Services, as described in Section 41.58.4;

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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.2 Eligibility Criteria (Cont'd)

(A) (Cont'd) (Nx)

(2) The Customer's first year MARC shall be $12.0 million in cumulative annual recurring revenue for Contributory Services in the following SBC Companies: Ameritech, PBTC, SWBT, and SNET. Other Contributory Services may be provided by other SBC companies; (Nx)

(3) The Customer cannot subscribe to Contract Offer No. 58 concurrently with SBC's MVP Offering in Section 38;

(B) Concurrent Subscription (Nx)

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 58, pursuant to the following tariffs:

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 79;
(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No .70, and
(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 20. (Nx)

(x) Issued under Authority of Special Permission No. 05-041 of F.C.C.

41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.2 Eligibility Criteria (Cont'd)

(C) Contributory Subject Services

Contract Offer No. 58 applies to pricing-flexibility-qualified access services (hereafter referred to as Contributory Subject Services) contained in the following tariff sections:

Service	**General Basic Description**	**Rates & Charges Phase I**	**Rates & Charges Phase II**
Special Access			
DS1 and DS3 Services	7.3.10	7.3.10(F)	39.5.2.7
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Metallic Service	7.3.2(A)	7.3.2(E)	39.5.2.1
Telegraph Grade Service	7.3.3(A)	7.3.3(E)	39.5.2.2
Voice Grade Service	7.3.4 (A)	7.3.4(G)	39.5.2.3
Switched Access Dedicated Transport Services	6.1.4	6.9.2	39.5.1

All Terms and Conditions for the Contributory Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 41.58.4. If, during the Term Period of this Contract Offer, additional services become eligible for pricing flexibility, those additional services may, at the Customer's option, be included among the Contributory Subject Services eligible under this Contract Offer, beginning with the first year after the additional services become eligible for pricing flexibility, provided that the MARC increases to reflect the recurring annual revenues associated with the additional Contributory Subject Services, as described in Section 41.58.4.

(1) See footnote (1) on page 41-493.

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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.3 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is five (5) years, commencing on the date the Customer executes a Letter of Subscription (LOS). The Anniversary Date shall be based on the date of the executed LOS. Contract Offer No. 58 is not renewable.

Contributory Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any additional Contributory Subject Services included in this Contract Offer after commencement of the Term Period in accordance with the terms and conditions set forth herein, must be converted to five (5) year term payment plans (where available), to receive discounts pursuant to this Contract Offer no later than August 1, 2006, except for those services whose conversion would cause the rates to increase over existing rates, those services would be exempt and remain at existing rates on the current term payment plan for those services . If a five (5) year term payment plan is not available for certain Contributory Subject Services, the Customer must select the longest term plan available for the Contributory Subject Service.

Services are subject to certain rates, charges, and general Terms and Conditions in other sections of F.C.C. Tariff No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Service. Such Terms and Conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(B) Contract Offer No. 58 is available for subscription only from September 7, 2005 through October 7, 2005.

(C) The Customer must submit a completed Letter of Subscription (LOS) to the Telephone Company.

(D) Commingling, as defined in F.C.C. No. 73, Section 2.7, of Subject Services under this Contract Offer is prohibited.

(E) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in SWBT Tariff F.C.C. No. 73, Section 5 – Ordering for Access Service.

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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.3 Terms and Conditions (Cont'd)

(F) The Customer may not subscribe to any future Contract Offerings in Section 41 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer unless expressly permitted in the future Contract Offer.

(G) The Customer must pay billed charges in full throughout the Term Period of this Contract Offer, excluding amounts being disputed. The Telephone Company will exhaust its remedies under Section 2.5 of F.C.C. Tariff No. 73 before exercising any remedy under this section. The Telephone Company will provide the Customer written notice (via registered letter) of non-compliance. The Customer will have thirty (30) days from receipt of the written notice to comply, which may be extended by mutual agreement of the Parties to allow the Parties to attempt to resolve any disputes. During this thirty (30) day period or a period to be mutually agreed upon by the Parties, the Parties will cooperate in good faith to attempt to resolve any pending disputes. If, after the Parties have exhausted attempts to resolve any pending disputes or have resolved disputes and the Customer does not comply with the written notice of non-compliance, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 41.58.11 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes). Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5.

(H) Customer must have achieved billing of Contributory Subject Service, Switched Access Transport that is no greater than $100,000 upon subscription to this Contract Offer.

(I) If the Telephone Company introduces a new Special Access or Switched Access service or an enhancement to an existing Special Access or Switched Access service, then such services shall be automatically included as Contributory Non Subject Services, and the Customer's purchase of such new or enhanced Contributory Non Subject Services shall be included in the calculation of the MARC, subject to the terms and conditions set forth in this Contract Offer.

(I) The Customer will continue to receive the benefit of rate stability for any Contributory Subject Services currently under a term plan with the Telephone Company that provides for rate stability.

41.58.4 Minimum Annual Revenue Commitment (MARC)

Contract Offer No. 58 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period, as defined in Section 41.58.4(A). The MARC shall include all Contributory Services purchased from the Telephone Company or its affiliates available under this Contract Offer. Contributory Services include Contributory Subject Services, as described in Section 41.58.2(C), herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services).

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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Establishing the MARC

(1) The Customer's Year 1 MARC will be established when the Telephone Company receives the LOS from the Customer. The Customer's MARC for Year 1 shall be $12.0 Million, or four times the Customer's monthly recurring revenue for Contributory Services during the three months immediately preceding the receipt of the signed LOS, whichever is greater.

Example 1: LOS is executed on August 1, 2005. The Year 1 MARC is established upon subscription at $12.0M. The Customer's actual revenue to Telephone Company from May 1, 2006 to July 31, 2006 is $4M. The new Year 2 MARC, effective August 1, 2006, is $16M ($4M multiplied by 4 equals $16M.)

(2) The MARC will be re-established, effective on each anniversary date, beginning on the first anniversary (Year 2 MARC). The MARC for Years 2, 3, 4, and 5 will be based on the Customer's actual monthly recurring revenue for all Contributory Services during the previous 3 months multiplied by 4, or the then-current MARC, whichever is greater.

Example 2: Term Period begins August 1, 2005. The MARC for Year 2 is $16.0M. The Customer's actual revenue to Telephone Company from May 1, 2007 to July 31, 2007 is $2.5M. The new Year 3 MARC, effective July 1, 2007, is $16.0M. (The $16.0M MARC is due to the fact that the MARC recalculation cannot result in a MARC lower than the current MARC.)

(B) Inclusion of Contributory Subject Services

(1) The following are the only billed revenues that can be included in the MARC:

(a) Monthly billed recurring revenues, including (that is, net) any credits or discounts given under existing pricing plans (e.g. Term Payment plans or Commitment Discount Plan) if applicable for the Subject Services provided during the Term Period; and

(b) Any credits and adjustments made to monthly billed amounts for Subject Services which are purchased by the Customer during the Term Period.

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41. Pricing Flexibility Contract Offerings

41.58 Contract Offer No. 58 – Special Access Service Offer

41.58.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Inclusion of Contributory Subject Services (Cont'd)

(1) (Cont'd)

(c) All other charges, other than those listed in Section 41.58.4(B)(1), are excluded.

Customer's existing Contributory Subject Services that are included in the MARC will be based on the rates that would apply to a five-year minimum term, regardless of whether the Contributory Subject Services were actually purchased pursuant to a five-year term at the time of subscription to this Contract Offer.

(C) Inclusion of Additional Contributory Services

Not withstanding anything to the contrary herein, the Customer may, at its option, include in this Contract Offer any Contributory Services being provided to the Customer by the Telephone Company according to a tariff or contract other than this Contract Offer, provided, however, that the MARC must be increased to reflect the recurring annual revenues associated with the additional Contributory Services, as provided in Section 41.58.4. The Customer must provide written notice to the Telephone Company of its wish to exercise this option. If any additional Contributory Services are ATM or Frame Relay services, those additional Contributory Services shall be provided pursuant to an agreement and/or contract which shall be available for review at the following web site: https://primeaccess.att.com

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Inclusion of Additional Contributory Services (Cont'd)

Example Year 1 MARC = $12.0M. If during Year 1, Customer wishes to include $2M of annual spend currently purchased from the Telephone Company under another tariff or contract and if those services qualify as Contributory Services, the new Year 1 MARC is $14.0M.

(D) MARC Adjustments

The Customer may exercise the following adjustments to the MARC pursuant to the terms listed below:

(1) Option 1 - The Customer may, at its option, adjust the MARC downward by up to 10%. This adjustment can be made only one time during the Term Period, at any time after the first 24 months of the Term Period (i.e., beginning with the establishment of the Year 3 MARC). To exercise this option, the Customer must notify the Telephone Company, in writing, at least 60 days prior to the Anniversary Date upon which the adjustment is to become effective.

(2) Option 2 - The Customer may carry over a shortfall of no more than 5% into the next contract year. This adjustment can be made only one time during the Term Period, at any time after the first 24 months of the Term Period (i.e., beginning with the establishment of the Year 3 MARC). To exercise this option, the Customer must notify the Telephone Company, in writing, at least 60 days prior to the Anniversary Date upon which the adjustment is to become effective. If the Customer opts to carry over a shortfall, the Customer's next year MARC will be increased to reflect that shortfall amount. If at the end of the subsequent contract year, the Customer does not meet its MARC, the Customer must make a shortfall payment sufficient to achieve that year's MARC or will be subject to termination liabilities as outlined in Section 41.58.4(E). This option cannot be combined with the MARC adjustment option as described in Section 41.58.4(D)(1)..

The MARC adjustment shall apply prospectively only. If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 41.58.9, reduced discounts will remain for the life of the Term Period, and discounts previously received during that contract year will not be re-rated, provided the Eligibility Criteria in Section 41.58.2 and Terms and Conditions in Section 41.58.3 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 41.58.5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Failure to Achieve the MARC

The Customer and the Telephone Company shall exchange information annually, and shall meet annually if necessary, to review the Customer's progress toward achieving the MARC for the term years. The Customer and the Telephone Company agree that they will meet in the ninth month of each term year to discuss and address, if necessary, compliance with the Terms and Conditions of the Contract Offer prior to the Anniversary Date. If the Customer fails to achieve the annual MARC Commitment as of the anniversary date, the Customer will be notified by the Telephone Company and will be required to remit an Annual True-up payment to reach the MARC commitment. The True-up calculation will be performed as follows:

Annual MARC – Actual Annual recurring revenues for Subject Services = Annual True-up Amount

If the Customer fails to submit its Annual True-Up payment to the Telephone Company within 30 days after notification from the Telephone Company, the Customer shall be deemed to have terminated its Contract Offer No. 58, and termination charges will apply as set forth in Section 41.58.11.

41.58.5 Discounts and Other Credits

(A) Discount Schedule and Application

On each anniversary date, the customer shall be eligible to receive the following Billing Credit, as set forth in Table A, subject to the Customer's compliance with all terms and conditions of this Contract Offer. Credits will be applied to the Customer's bill no later than 90 days after each Anniversary Date. Recurring revenue generated from Subject Services that were not included in this Contract Offer at the time of subscription are not eligible for discounts under this Contract Offer, unless and until those Contributory Subject Services have been added to this Contract Offer pursuant to Sections 41.58.2, 41.58.4, 41.58.9 and 41.58.10.

Table A

MARC Level	**Billing Credit**
$12,000,000	2.00%
$14,000,000	3.00%
$15,125,000	3.50%
$16,000,000	4.00%
$17,000,000	4.50%
$18,000,000	5.00%
$19,000,000	5.50%
$20,000,000	6.00%
$21,000,000	7.50%
$21,010,000	0%

MARC levels will be rounded up or down to the nearest $10,000.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

Example: If the Customer meets the minimum MARC of $12,000,000 for sum of all Contributory Services and has Subject Services revenue of $9,584,000. The Customer will be eligible to receive a credit of $191,681.

$9,854,000 X 2% = $191,680

(B) First Year Credit

If at the end of the Year 1 of this Contract Offer, the Customer's MARC for Year 2 is $15.125M or higher, the Customer will receive an additional credit of 2.78 percent of Subject Services applied to the Customer's bill no later than 90 days after the anniversary date for Year 1.

Example: If the Customer reaches the MARC level of $15.125M at the end of year 1 for the sum of all Contributory Services and has Subject Services revenue of $11,230,000. The Customer will be eligible to receive a credit of $312,194.

$11,230,000 X 2.78% = $312,194

41.58.6 Incentives

(A) Purchase of New Contributory Subject Services

During the Contract Term period of subscription to this Contract Offer, the Telephone Company will calculate the billed revenue as described in Section 41.58.4 (B), of new eligible Subject Services towards meeting the MARC on the first contract anniversary date, the beginning of the second year of the Contract term period, and such revenue will be will be increased by 15 percent under this Contract Offer.

Example: Assume that the Customer's total monthly billed recurring revenues for new OC3/OC3c services during the first Contract Term Year Period was $1,000,000 ($1M). The Telephone Company will calculate the billed revenue for new Contributory Subject Services on the first Contract anniversary date for purchases made during such period and the Customer shall be deemed to have purchased $1,150,000 ($1.15M) in Contributory Subject Services. In subsequent years, these OC3 services would count as $1,000,000 ($1M) toward MARC calculations. The calculation to determine if the Customer met the MARC requirements will be:

(New Subject Services purchased during the first contract year multiplied by 1.15) + Existing Contributory Subject Services = Total value of Contributory Subject Services.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.6 Incentives (Cont'd)

(A) Purchase of New Contributory Subject Services (Cont'd)

This total value of Contributory Subject Services will then determine if the Customer meets the MARC as described in Section 41.58.4 and/or has earned any incentive credits as described in Section 41.58. 5.

Purchase of the aforementioned new Subject Services in Year 2, 3, 4 and 5 of this Contract Offer will not receive the increased value towards meeting the MARC.

Example: Assume that the Customer's total monthly billed recurring revenues for new [(1)] services during the second Contract Term Year Period was $1,000,000 ($1M). The Telephone Company will calculate the billed revenue for new Contributory Subject Services on the second contract anniversary date, the beginning of the third year of the Contract Term period, for purchases made during the second year and the Customer shall be deemed to have purchased $1,150,000 ($1.0M) in Contributory Subject Services toward MARC calculations. The calculation to determine if the Customer met the MARC requirements will be:

New Subject Services purchased multipled by 15 percent + Existing Contributory Subject Services (prior year one purchases plus existing subject services)= Total value of Contributory Subject Services.

The increase value of new eligible services shall be used only to determine attainment of the MARC, and not for any other purposes. If the Customer fails to meet the MARC requirements as stated in section 41.58.4 after such calculation as described above, the Customer will be subject to the true-up provision as stated in Section 41.58.4 (E)

For purposes of this Contract Offer, a new [(1)] service must meet one of the following criteria:

(1) Newly ordered and provisioned during the first year of the Contract Term period by the customer under this Contract Offer; or

(2) Upgrade of an existing Special Access service during the first year of the Contract Period that was not previously a [(1)] service (e.g., upgrade of a DS1 or DS3 to a [(1)] service) under the provisions set forth in other sections of this tariff.

[(1)] See footnote (1) on page 41-493.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.6 Incentives (Cont'd)

(B) Conversion of DS1 or DS3 capacity loops:

For customers who subscribe to this Contract Tariff No. 58 and convert their DS1 or DS3 capacity loops, dedicated transport, or Expanded Extended Loops (**EELs**) provided by the Telephone Company as unbundled network elements (**UNEs**) to Special Access Service, the Telephone Company will multiply the customer's billed revenue associated with such converted UNEs by 1.50 in the year of conversion towards the attainment of the MARC. The converted services in subsequent years will not receive the billed revenue multiplier towards the attainment of the MARC. This multiplier shall be used only to determine the billed revenue for Qualifying Services for purposes of MARC attainment, and not for any other purpose. The Customer shall provide a detailed list of circuits that have been converted to the Telephone Company within 30 days after the contract anniversary year for verification.

For example, if the customer converts $1,000,000 ($1M) in UNEs to Special Access Services during the first Annual Contract Term Period of this Contract Tariff No. 58, then, in calculating billed revenue for Qualifying Services, the customer shall be deemed to have purchased $1,500,000 ($1.50M) in Special Access DS1 Services for purposes of calculating the billed revenue for Qualifying Services for meeting the MARC as described in section 41.58.4. In subsequent years, the converted UNE services would count as $1,000,000 ($1M) towards MARC calculations.

41.58.7 Non-Recurring Charges

The Telephone Company will waive installation non-recurring charges (NRCs) associated with the conversion of Contributory Subject Services pursuant to this Contract Offer. In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis. In addition, the Telephone Company will waive Non-recurring charges (NRCs) associated with the conversion of existing UNE circuits which are converted to Special Access Services under the terms of this contract tariff offer. In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis.

To receive credits for installation NRCs, the Customer must be in compliance with all terms and conditions of this Contract Offer. Additionally, if the Customer fails to meet the MARC on an Anniversary Date pursuant to Section 41.58.4 (A) and/or fails to pay the Annual True-Up as defined in Section 41.58.4 (E), termination liability charges will apply as set forth in Section 41.58.11.

The Customer must pay all other applicable non-recurring charges, including, but not limited to, rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges as described in SWBT F.C.C. No. 73, Section 5.3 for Subject Services pursuant to this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont')

41.58.8 Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of Contributory Subject Services. 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 these charges on a quarterly basis. In order to receive credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all terms and conditions of this Contract Offer.
(2) The Customer shall be permitted to move and/or disconnect Contributory Subject Services from any of the identical Contract Offers, as described in Section 41.58.2 (B).
(3) DS1 Services must have been in service for a minimum of one (1) month from the original installation date.
(4) DS3, [1] and [1] Services must have been in service for a minimum of one (1) year from the original installation date.
(5) [1], [1] and [1] Services must have been in service for a minimum of three (3) years from the original installation date.

If, and to the extent that [1] becomes eligible for pricing flexibility, [1] may, at the Customer's option, become a Contributory Subject Service included in this Contract Offer. If so, such [1] service shall be eligible for portability provided that, for each [1] circuit to be ported:

(a) facilities necessary to provide [1], as specified in F.C.C. No. 73, Section 43, exist at the end user location in which the circuit is being moved; and
(b) the circuit has been in service for a minimum of one (1) year from the original installation date.

41.58.9 Mergers and Acquisitions Involving the Customer

(A) The Terms and Conditions of Contract Offer No. 58 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 its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Contributory Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Contributory Services of the other company involved in the merger or acquisition will not be used in calculations of the MARC as discussed in Section 41.58.4.

[1] See footnote (1) on page 41-493.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.9 Mergers and Acquisitions Involving the Customer

(A) (Cont'd)

(1) The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 41.58.2 and 41.58.3 in order to exercise the provisions under this subsection.

(2) Recurring revenue from Contributory Services from the other entity involved in the merger or acquisition cannot be applied to, or eligible for, any incentives or discounts contained in this Contract Offer, except as expressly permitted by one of the provisions herein.

(3) The Customer shall have an option (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise this option in the manner provided herein, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the calculation of the MARC Section 41.58.4, nor will such revenues be eligible for any discounts provided under this Contract Offer.

(4) The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. 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.

(5) If the Customer has selected, but not yet fully implemented, the option provided herein, the MARC, and any MARC adjustment calculation as provided in Section 41.58.4, will apply only to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition.

(6) The Customer cannot combine any of the Merger and Acquisition provisions in this subsection.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.9 Mergers and Acquisitions Involving the Customer (Cont'd)

(A) (Cont'd)

(7) The Telephone Company will calculate the actual recurring annual revenue of the other company involved in the merger or acquisition on the date the Customer elects the provisions in this subsection, in the same manner such revenue would be calculated for purposes of performing the annual recalculation of the MARC under this Contract Offer. Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn the above the MARC discounts discussed in Section 41.58.5 (A)(2) of this Contract Offer for revenue from the other company involved in the merger or acquisition. After the Customer has fully implemented the provision in this subsection, the Customer will be eligible for above the MARC discounts provided in Section 41.58.5(A)(2) for recurring annual revenue above the new combined MARC.

Notwithstanding the foregoing, if the Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, MARC discounts will continue to apply and this Contract Offer will not be considered in default, provided, however, that each party shall exercise best efforts to comply.

(B) Option 1

(i) The Customer must establish a combined MARC by adding to the Customer's then-current MARC at least 85%, but not more than 100% (at the Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual recalculation of the MARC under this Contract Offer.

(ii) The Customer must exercise this option within 60 days following the Transaction Close Date.

(iii) This option is not available in Year 5 of the Term Period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.10 Merger or Acquisition Involving the Telephone Company

(A) If the Customer purchases any interstate special access services from the merged or acquired company, and such special access services are or become eligible for pricing flexibility, the Customer may include those special access services in this Contract Offer, subject to any terms or conditions of any contracts or tariffs pursuant to which the Customer is purchasing such special access services prior to the merger or acquisition, including any terms or conditions regarding termination liability. If the Customer chooses to include the services subject to the merger or acquisition in this Contract Offer, they shall become Contributory Subject Services within the meaning of this Contract Offer at the time they are included in this Contract Offer. At the time such Contributory Subject Services are included in this Contract Offer, the MARC shall be recalculated, including both the recurring annual revenues of the Contributory Services provided to the Customer prior to the merger or acquisition and the recurring annual revenues of the additional Contributory Subject Services previously provided by the merged or acquired Company.

(B) The Customer must notify the Telephone Company in writing, within 120 days of the Transaction Close Date, of any Contributory Services from the merged or acquired company that Customer wishes to include in this Contract Offer. Discounts and credits specified in Section 41.58.5 will not apply to services from the merged or acquired company until the MARC has been recalculated to reflect the additional Contributory Services included in this Contract Offer as a result of the merger or acquisition. The MARC recalculation to include these services will occur at the Customer's next Anniversary Date following receipt of the Customer's written notice described above.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.11 Termination Liability

(A) Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section 7. If the Customer terminates Contract Offer No. 58 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), 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. The Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 41.58.2, or fails to meet any of the Terms and Conditions in Section 41.58.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 58 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 73, Section 2.5.

The Customer's termination liability charge shall be equal to the following: If the Customer terminates the Contract Offer prior to the expiration of a term year, 100% of all Discounts (including non-recurring charges and early termination charges) received under Contract Offer No. 58 for the preceding six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 10% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.
(2) If terminated in Year 2, 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.
(3) If terminated in Year 3, 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.
(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5
(5) If terminated in Year 5, 10% of the Year 5 MARC for the remaining portion of Year 5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.58 Contract Offer No. 58 – Special Access Service Offer (Cont'd)

41.58.11 Termination Liability (Cont'd)

(B) New Special Access Service Offerings

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, the Customer will be permitted to enter into a new contract offer or other contract 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 under this Contract Offer, provided, however, that the Customer's Contract Offer or other contract or tariff governing the new service offerings must include a term period and revenue commitment that are the same as, or greater than, this Contract Offer.

(C) This Section 41.58.11 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 58, except for charges due and payable for Contributory Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 41.58.11.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.59 Contract Offer No. 59- Special Access Service Offer

41.59.1 General Description

Special Access Service Offer is an access discount plan for DS1, DS3, [1], [1], and [1] Services(Contract Offer No. 59), for which subscription is required in the following SBC Companies: Ameritech Operating Companies (Ameritech); The Southern New England Telephone Company (SNET); Pacific Bell Telephone Company (PBTC); and Southwestern Bell Telephone Company (SWBT). Contract Offer No. 59 is available to any Customer with at least $ 2,000,000 in cumulative annual revenue for Subject Services as described in Section 41.59.2 for the above mentioned SBC Companies. Customer must meet the eligibility criteria set forth in Section 41.59.3 and also must comply with the terms and conditions as described in Section 41.59.4. This contract offering is available in the MSAs listed in Section 41.59.3.

Contract Offer No. 59 requires that the Customer maintain a Minimum Annual Revenue Commitment (MARC) for each year of the three (3) year Term Period. In the event the Customer does not meet the MARC as of each anniversary date of each term year, the Customer must remit the shortfall payment as set forth in Section 41.59.5. Notwithstanding the obligation to pay such shortfall, if the Customer does not comply with Section 41.59.5, Termination Liability Charges in accordance with Section 41.59.8 shall apply..

Contract Offer No. 59 is only available for subscription September 7, 2005 through October 7, 2005. This offer is not renewable.

[1] Material previously contained in this section has been deleted. DSRS, GigaMAN, and OCN PTP 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. 59 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.2 Subject Services Available Under Contract Offer No. 59

Contract Offer No. 59 applies to pricing-flexibility-qualified access services (Hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity DS1 Special Access Services – Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 7.3.10
(2) MegaLink Custom DS3 Service - Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 20
(3) [1] Services – Southwestern Bell Telephone Company Tariff F.C.C. No. 73,Section [1]
(4) [1] Services - Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1]
(5) [1] Service - Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1]

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except where provision of this Contract Offer No. 59 conflict with such respective tariff sections, in which case the provisions provided herein shall prevail.

41.59.3 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive discounts for the purchase of Subject Services pursuant to Contract Offer No. 59:

(1) Service must be a pricing-flexibility-qualified access service described in Section 41.59.2.

(2) Services must be located in the following Pricing Flexibility Qualified MSAs:

Fort Smith AR, Little Rock AR, Kansas City KS, Topeka KS, Joplin MO, Kansas City MO, St. Joseph MO, St Louis MO, Springfield MO, Oklahoma City OK, Tulsa OK, Abilene TX, Amarillo TX, Austin-San Marcos TX, Brownsville-Harlingen TX, Corpus Christi TX, Dallas/Ft Worth TX, Houston TX, Longview-Marshall TX, Lubbock TX, Midland TX, San Antonio TX, Waco TX, Wichita Falls TX

[1] See footnote (1) on page 41-512.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.3 Eligibility Criteria

(A) (Cont'd)

(3) Customer must have a minimum of $2,000,000 in cumulative annual revenue for Subject Services in the following SBC Companies: Ameritech Operating Companies (Ameritech); The Southern New England Telephone Company (SNET); Pacific Bell Telephone Company (PBTC); and Southwestern Bell Telephone Company (SWBT).

(4) Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 59 pursuant to the following tariffs:

(a) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 71

(b) SNET Tariff F.C.C. No. 39, Section 25, Contract offer No. 21

(c) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 80

41.59.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is three (3) years, commencing on the date the Customer submits the completed Letter of Subscription to the Telephone Company. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options as described in SWBT Tariff F.C.C. No. 73 Sections 7, [1] and [1] for DS1, DS3, [1], [1], and [1] Service.

If, at the expiration of the Term Period, the Customer elects to continue service and does not select a payment option as described in the SWBT Tariff F.C.C. No. 73, Sections 7, [1] and [1], Subject Services will be converted to the prevailing applicable monthly tariff rates.

[1] See footnote (1) on page 41-512.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.4 Terms and Conditions

(A) Term Period (Cont'd)

Rate stability under Contract Offer No. 59 applies only to the rates specific to this Contract Offer as outlined in Section 41.59.6. Purchase of the Subject Services listed above are also subject to certain rates, charges and general terms and conditions in other sections of Ameritech F.C.C. Tariff No. 2, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer.

(B) Contract Offer No. 59 is only available September 7, 2005, through October 7, 2005;

(C) In order to subscribe to Contract Offer No. 59, Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) Subject Services to which the Customer already subscribes as of the commencement of the Term Period, shall adhere to the Terms and Conditions of this Contract Offer and shall receive the discounted rates described in Section 41.59.6.

(E) Subject Services in Section 41.59.2 purchased after the commencement of the Term Period and on completion of the access service order, shall become fully subject to the Terms and Conditions of this Contract Offer and shall thereafter receive the discounted rates described in Section 41.59.6.

(F) Customer must subscribe to the services available under this Contract Offer in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.4 Terms and Conditions (Cont'd)

(G) Subject to the provisions of Section 41.59.7, DS1 and DS3 Portability, if the Customer terminates any Subject Services during the Term Period, termination liability charges shall apply in accordance with Section 41.59.8;

(H) If the Customer requests additional service features and functions not included in 41.59.6, the Customer must pay the applicable tariff rates for those additions as contained in Section 39 – Metropolitan Statistical Area Access Services;

(I) The Customer cannot subscribe to or include Subject Services subscribed to under this Contract Offer in any other contract offering;

(J) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38;

(K) The Customer must be current on undisputed billing for existing services within 60 days after subscribing to this Contract Offer, and must remain current on all undisputed charges throughout the Term Period.

41.59.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishing and Maintaining the MARC

The Customer must maintain a Minimum Annual Revenue Commitment (MARC) of $2,000,000 for each year of the three year term period for Subject Services as described in Section 41.59.2. The MARC for the first year of the Term Period (Year 1) will be established when the Telephone Company receives the Letter of Subscription from the Customer. For the purposes of calculating the Year 1 MARC, recurring annual revenue for all existing Subject Services pursuant to this Contract Offer shall be included in the calculation of the Year 1 MARC.

(B) Annual True-Up

The Customer's Year 1 MARC shall be $2,000,000 as determined upon completion of the LOS. The MARC for Years 2 and 3 will be reviewed and re-established at $2,000,000 on annual basis, effective on the Contract anniversary dates.

In the event the Customer does not meet the MARC as of each anniversary date of each term year, the Customer must pay the shortfall payment, as described in 41.59.5(C) below.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC at the end of each 12 months of the contract term period, the Customer must pay the difference between the Annual MARC for the current term year and the actual recurring annual revenue for the Subject Services. The Customer will be notified by the Telephone Company and will be required to remit a shortfall payment to reach the MARC.

The true-up calculation will be performed as follows: Annual MARC ($ 2,000,000.00) - Actual Annual recurring revenues for Subject Services as described in Section 41.59.5 (A) = Annual True-Up Amount

If the Telephone Company does not receive the shortfall payment amount within 30 days of its notification, the Customer is deemed to have terminated its Contract Offer No.59 and termination liability charges will apply as set forth in Section 41.59.8.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.6 Rates and Charges

A) Monthly Recurring Charges

The tables below contain the discounted rates for this Contract Offer. The Customer must pay the following Monthly Recurring Charge (MRC) for the Subject Services as described in Section 41.59.2.

High Capacity DS1 Service	**Monthly Rate Per Circuit**
(1) Channel Termination – 0 miles	$113.00
(1) Channel Termination with 1-10 miles	$185.00
(1) Channel Terminations with 11-20 miles	$225.00
(1) Channel Termination with over 20 miles	$225.00
** plus $7 for each mile over 20 miles	

MegaLink Custom DS3 Service	**Monthly Rate Per Element**
Channel Termination – TUZPX – per pt of term.	$775.00
Channel Mileage - FIXED – 1OXHX	$232.75
Channel Mileage – PER MILE – 1J5HS	$25.00
Multiplexing – DS3 to DS1 - MKM	$427.50

		Monthly Rate Per Element		
(1)	**USOC**	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)		
(1)	(1)		(1)	
(1)	(1)			(1)
(1)	(1)	(1)		
(1)	(1)	(1)	(1)	(1)
(1)	(1)		(1)	(1)
(1)	(1)			(1)
(1)			**USOC**	**Monthly Rate**
(1)			(1)	(1)
(1)			(1)	(1)
(1)			**USOC**	**Monthly Rate**
(1)			(1)	(1)
(1)			(1)	(1)
(1)			(1)	(1)

[1] See footnote (1) on page 41-512.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.6 Rates and Charges (Cont'd)

(B) Non-Recurring Charges

(1) The Telephone Company shall waive the following Non-Recurring Charges associated with the purchase of qualifying DS1 and DS3 Services subscribed to this Contract Offer:

(a) Administrative Charge per order
(b) Design and Central Office Connection Charge per Circuit
(c) Customer Connection Charge per termination

(2) Non-Recurring Charges and/or Special Construction Charges may apply to new installations of [1], [1], and [1] Service subscribed to this Contract Offer based on the cost of the Telephone Company to provide the new service.

41.59.7 DS1 and DS3 Portability

(A) DS1 Portability shall be provided as follows:

The Telephone Company shall credit the Customer any paid early termination liability charges for the disconnection of DS1s throughout the term of Contract Offer No. 59 as long as the DS1 has been in service for a minimum of one (1) year, provided that the eligibility criteria in Section 41.59.3 and terms and conditions in Section 41.59.4 have been met. The in-service period is calculated from the date the circuit is installed, which may be earlier than the date the Term Period of Contract Offer No. 59 begins.

(B) DS3 Portability shall be provided as follows:

The Telephone Company will credit the Customer paid early termination liability charges for the disconnection or move of DS3s in each year throughout the term of Contract Offer No. 59, provided that the eligibility criteria in Section 41.59.3 and terms and conditions in Section 41.59.4 have been met. The number of DS3 circuits disconnected or moved each year without termination liability charge is not to exceed 10% of DS3 circuits in place at the beginning of each year of the term period. Disconnects or moves in excess of 10% will incur early termination liability charges in accordance with the termination liability described in Section 41.59.8.

[1] See footnote (1) on page 41-512.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59- Special Access Service Offer (Cont'd)

41.59.8 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Sections 7, 20, [1] and [1]. If the Customer terminates Subject Services under this Contract or terminates the Contract Offer in its entirety before the completion of the term period for any reason, 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 30 days prior to the desired date of termination of the Subject Services pursuant to this Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 41.59.3, or fails to meet any of the Terms and Conditions in Section 41.59.4, the Customer will be deemed to have terminated services under this Contract Offer and Termination Liability is payable.

(A) Customer terminates a Subject Service:

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:

50% of the monthly charges on the unexpired portion of the three (3) year term.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (months remaining in term) 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:

$1202.50 X 6 X .50 = $ 3607.50 termination liability charge.

[1] See footnote (1) on page 41-512.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.59 Contract Offer No. 59– Special Access Service Offer (Cont'd)

41.59.8 Termination Liability (Cont'd)

(B) Customer terminates Contract Offer

If the Customer terminates this Contract Offer before the completion of the term period, the Customer's termination liability charges for termination of the contract shall be equal to:

The difference between the Actual Current Annual Recurring Revenue for Subject Services and the annual MARC at the time of termination, plus 50% of the annual MARC at the time of termination for each subsequent year remaining in the term period.

(Annual MARC – Annual Current Recurring Revenue) + 50% (Annual MARC x years remaining) = termination liability.

Example: the Customer terminates the contract in Year 2 and Customer has 1 year remaining in a 3 year term period. Customer's annual MARC at time of termination is $2,000,000 and actual recurring revenue is $1,500,000. The Termination liability charge will be as follows:

($2,000,000 – 1,500,000) + (50% 0f $2,000,000 x 1) = $1,500,000 termination liability charge.

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41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 60 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.

41. [1]

[1] See footnote (1) on page 41-522.

ACCESS SERVICES

41. [1]

[1] See footnote (1) on page 41-522.

41. [1]

[1] See footnote (1) on page 41-522.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 61 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.

41. [1]

[1] See footnote (1) on page 41-526.

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41. [1]

[1] See footnote (1) on page 41-526.

41. [1]

[1] See footnote (1) on page 41-526.

41. [1]

[1] See footnote (1) on page 41-526.

41. [1]

[1] See footnote (1) on page 41-526.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.62 Contract Offer No. 62 – DS1 Service Offer

41.62.1 General Description

DS1 Service Offer (Contract Offer No. 62) is an access discount plan that offers Customers located in the Phase 1 and Phase 2 Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs)listed in Section 41.62.2(A), herein, to pay the rates described in Section 41.62.7, herein, for new DS1 special access services upon subscription to this Contract Offer. The Customer must have a total of twelve hundred new and/or existing DS1s in the MSAs described in Section 41.62.2 to receive discounts under this Contract Offer. The Customer must meet the eligibility criteria as set forth in Section 41.62.2, and also must comply with the terms and conditions set forth in Section 41.62.3.

Contract Offer No. 62 is only available from September 10, 2005 through October 10, 2005.

41.62.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive discounts under Contract Offer No. 62:

(1) Service must be a pricing-flexibility-qualified access service, described in Section 41.62.2(B); and

(2) Service must be in one of the following Pricing Flexibility MSAs only: Kansas City, KS & Kansas City, MO;

(B) Contract Offer No. 62 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity Service (DS1) - Southwest Tariff F.C.C. No 73, Section 7.3.10 for Phase 1 and Section 39.5.2.7 for Phase 2 MSAs

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.62 Contract Offer No. 62 – DS1 Service Offer (Cont'd)

41.62.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives the Letter of Subscription.

The DS1 service term period (Service Term) for each new DS1 purchased is five (5) years commencing on the date the access service order is completed.

At expiration of the Term Period, any Subject Services purchased pursuant to the terms of this Contract Offer, shall be provided at the otherwise applicable rates for a 5 year term pursuant to Tariff F.C.C. No. 73, Section 7.3.10 for Phase 1 MSAs and Section 39.5.2.7 for Phase 2 MSAs.

Rate stability under this Contract Offer applies only to the rates specific to Contract Offer No. 62. Purchase of the services listed above under Contract Offer No. 62 is 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 & Miscellaneous Service. Such rates and charges may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 62.

(B) Terms and Conditions

(1) Contract Offer No. 62 is available only from September 10, 2005 through October 10, 2005;

(2) To subscribe to Contract Offer No. 62, the Customer must submit a Letter of Subscription to the Telephone Company;

(3) If the Customer should discontinue service under Contract Offer No. 62 during the Term Period, termination liability charges will apply in accordance with Section 41.62.8;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.62 Contract Offer No. 62 – DS1 Service Offer (Cont'd)

41.62.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(4) If the Customer requests modifications to the Contract Offer No. 62 network design, originally constructed for the Customer under Contract Offer No. 62, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangement, node moves, ring design provisioning changes and customer premise rearrangements;

(5) The Customer must have a total of twelve hundred new and/or existing DS1s in the MSAs described in Section 41.62.2(A).

(6) Customer may, at its option, convert a maximum of seventy existing DS1 subject services to be included under this Contract Offer.

(7) Discounts apply only to the DS1 Channel Termination rate element, as described in Section 41.62.7.

(8) If the Customer requests additional service features and functions not included in 41.62.2.(B), the Customer must pay the applicable tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services;

(9) The Customer cannot subscribe to, or include, Subject Services subscribed to under any other Contract Offer; and

(10) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.62 Contract Offer No. 62 - DS1 Service Offer (Cont'd)

41.62.4 Portability of Subject Services

The Telephone Company will waive termination liability charges for moves and/or disconnection of the DS1 Subject Services after a service period of six (6) months, provided that the Customer complies with the Terms and Conditions of this Contract Offer, including but not limited to, Sections 41.62.3 and 41.62.5. 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 these charges on a quarterly basis. To receive the credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;

(2) The Customer must be current on billing for existing services within 60 days of exercising this option; and

(3) DS1 services must have been in service for a minimum of six (6) months from the original installation date.

41.62.5 Assignment and Transfer

(A) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 62 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.62 Contract Offer No. 62 – DS1 Service Offer (Cont'd)

41.62.5 Assignment and Transfer (Cont'd)

(A) (Cont'd)

(1) (cont'd)

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 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.

41.62.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.62 Contract Offer No. 62 – DS1 Service Offer (Cont'd)

41.62.7 Rates and Charges

(A) DS1 Rates:
Customer shall pay the following Monthly Recurring Charge (MRC) for the services as described above. Unless noted otherwise, rates are inclusive for all zones.

Rate Element	USOC	MRC	MRC
Channel Termination – Per Point of Termination	TMECS	$87 Applies only to the Kansas City, KS MSA	$75 Applies only to the Kansas City, MO MSA

The Telephone Company shall waive the following Non-Recurring charge (NRC) associated with the purchase of qualifying DS1 Services for the first twelve (12) months of the Term Period of this Contract Offer:

Installation Charge - KS & MO Zone 1,2,& 3;

(B) Any rate elements not described herein will continue to be billed at tariff rates as described in Metropolitan Statistical Area (MSA) Section 39 or Special Access Service Section 7.

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.62 Contract Offer No. 62 – DS1 Service Offer (Cont’d)

41.62.8 Termination Liability

If the Customer terminates Contract Offer No. 62 or individual Subject Services included under this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Section 7. The Customer must pay to the Telephone Company termination liability charges as described below, if the Customer terminates this Contract Offer before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions in Section 41.62.3. These charges shall become due as of the effective date of the termination, and are payable within 30 days of the invoice date.

The Customer's termination liability charges for termination of service shall be equal to 50% of all monthly recurring charges for the balance of the Customer’s five (5) year Term Period, and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) months remaining in a sixty (60) month term period, then the termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.63 Contract Offer No. 63 – DS1 Service Offer

41.63.1 General Description

DS1 Service Offer (Contract Offer No. 63) is an access discount plan that offers Customers located in the Phase 1 and Phase 2 Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs)listed in Section 41.63.2(A), herein, to pay the rates described in Section 41.63.7, herein, for new DS1 special access services upon subscription to this Contract Offer. The Customer must have a total of twelve hundred new and/or existing DS1s in the MSAs described in Section 41.63.2 to receive discounts under this Contract Offer. The Customer must meet the eligibility criteria as set forth in Section 41.63.2, and also must comply with the terms and conditions set forth in Section 41.63.3.

Contract Offer No. 63 is only available from September 16, 2005 through October 16, 2005.

41.63.2 Eligibility Criteria

(A) The following eligibility criteria must be met in order to receive discounts under Contract Offer No. 63:

(1) Service must be a pricing-flexibility-qualified access service, described in Section 41.63.2(B); and

(2) Service must be in one of the following Pricing Flexibility MSAs only: Kansas City, KS & Kansas City, MO;

(B) Contract Offer No. 63 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity Service (DS1) - Southwest Tariff F.C.C. No 73, Section 7.3.10 for Phase 1 and Section 39.5.2.7 for Phase 2 MSAs

All terms and conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives the Letter of Subscription.

The DS1 service term period (Service Term) for each new DS1 purchased is five (5) years commencing on the date the access service order is completed.

At expiration of the Term Period, any Subject Services purchased pursuant to the terms of this Contract Offer, shall be provided at the otherwise applicable rates for a 5 year term pursuant to Tariff F.C.C. No. 73, Section 7.3.10 for Phase 1 MSAs, and Section 39.5.2.7 for Phase 2 MSAs.

Rate stability under this Contract Offer applies only to the rates specific to Contract Offer No. 63. Purchase of the services listed above under Contract Offer No. 63 is 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 & Miscellaneous Service. Such rates and charges may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No 63.

(B) Terms and Conditions

(1) Contract Offer No. 63 is available only from September 16, 2005 through October 16, 2005;

(2) To subscribe to Contract Offer No. 63, the Customer must submit a Letter of Subscription to the Telephone Company;

(3) If the Customer should discontinue service under Contract Offer No. 63 during the Term Period, termination liability charges will apply in accordance with Section 41.63.8;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(4) If the Customer requests modifications to the Contract Offer No. 63 network design, originally constructed for the Customer under Contract Offer No. 63, the Customer must pay the Telephone Company time and material charges for each modification as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangement, node moves, ring design provisioning changes and customer premise rearrangements;

(5) The Customer must have a total of twelve hundred new and/or existing DS1s in the MSAs described in Section 41.63.2(A);

(6) Customer may, at its option, convert a maximum of one hundred fifty existing DS1 subject services to be included under this Contract Offer;

(7) Discounts apply only to the DS1 Channel Termination rate element, as described in Section 41.63.7;

(8) If the Customer requests additional service features and functions not included in 41.63.2.(B), the Customer must pay the applicable tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services;

(9) The Customer cannot subscribe to, or include, Subject Services subscribed to under any other Contract Offer; and

(10) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.4 Portability of Subject Services

The Telephone Company will waive termination liability charges for moves and/or disconnection of the DS1 Subject Services after a service period of six (6) months, provided that the Customer complies with the Terms and Conditions of this Contract Offer, including, but not limited to, Sections 41.63.3 and 41.63.5. 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 these charges on a quarterly basis. To receive the credits or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(1) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;

(2) The Customer must be current on billing for existing services within 60 days of exercising this option; and

(3) DS1 services must have been in service for a minimum of six (6) months from the original installation date.

41.63.5 Assignment and Transfer

(A) If the Customer wishes to assign or transfer its use of services under Contract Offer No. 63 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (a) or (b) 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).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.5 Assignment and Transfer (Cont'd)

(A) (Cont'd)

(1) (cont'd)

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 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.

41.63.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.7 Rates and Charges

(A) DS1 Rates:
Customer shall pay the following Monthly Recurring Charge (MRC) for the services as described above. Unless noted otherwise, rates are inclusive for all zones.

Rate Element	USOC	MRC	MRC
Channel Termination – Per Point of Termination	TMECS	$87 Applies only to the Kansas City, KS MSA	$75 Applies only to the Kansas City, MO MSA

The Telephone Company shall waive the following Non-Recurring charge (NRC) associated with the purchase of qualifying DS1 Services for the first twelve (12) months of the Term Period of this Contract Offer:

Installation Charge - KS & MO Zone 1,2,& 3;

(B) Any rate elements not described herein will continue to be billed at tariff rates as described in Metropolitan Statistical Area (MSA) Section 39 or Special Access Service Section 7.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.63 Contract Offer No. 63 – DS1 Service Offer (Cont'd)

41.63.8 Termination Liability

If the Customer terminates Contract Offer No. 63 or individual Subject Services included under this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Section 7. The Customer must pay to the Telephone Company termination liability charges as described below, if the Customer terminates this Contract Offer before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions in Section 41.63.3. These charges shall become due as of the effective date of the termination, and are payable within 30 days of the invoice date.

The Customer's termination liability charges for termination of service shall be equal to 50% of all monthly recurring charges for the balance of the Customer's five (5) year Term Period, and will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%).

Example: Customer has $200,000 in Monthly Recurring Charges. If Customer terminates service after thirty-six (36) months and has twenty-four (24) months remaining in a sixty (60) month term period, then the termination liability would be calculated as:

$200,000 X 24 months X 50% = $2,400,000 Termination Liability

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 64 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.

41. [1]

[1] See footnote (1) on page 41-546.

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41. [1]

[1] See footnote (1) on page 41-546.

41. [1]

[1] See footnote (1) on page 41-546.

41. [1]

[1] See footnote (1) on page 41-546.

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41. Pricing Flexibility Contract Offerings

41.65 Contract Offer No. 65 – [1] Service Offer

41.65.1 General Description

[1] Service Offer (Contract Offer No. 65) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.65.3 and the Terms & Conditions in Section 41.65.4 to purchase Subject Services in Section 41.65.2 at discounted rates listed in Section 41.65.5. Subject Services under Contract Offer No. 65 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.65.3(B). Contract Offer No. 65 is available for subscription from September 29, 2005 through October 29, 2005. This Contract Offer is not renewable.

41.65.2 Subject Services

(A) Contract Offer No. 65 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section [1] – [1] Service;

(2) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12 – DS3 MegaLink Custom Service; and

(3) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.7 – DS1 High Capacity Service.

(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. DSRS 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. 65 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 – [1] Service Offer (Cont'd)

41.65.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 65 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.65.2(A);
(B) Services must be located in the Dallas MSA;
(C) Subject Services ordered pursuant to this contract must be new; and
(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

41.65.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years, commencing on the date billing begins. Billing shall commence no later than 30 days after the commencement of service over the first [1] provided pursuant to this Contract Offer. All subtending DS3 and DS1 Subject Services, as well as any additional [1] services provided pursuant to this Contract Offer, will be co-terminus with the Term Period of the first [1]. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in Southwestern Bell Telephone Company Tariff F.C.C. No. 73 Section 39 for [1], DS3 and DS1 Service.

If, at the expiration of the Customer's Contract Term Period, the Customer does not choose to disconnect or select a payment option from the sections above, the Telephone Company will convert the Customer to the prevailing monthly extension rates in Section 39.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 – [1] Service Offer (Cont'd)

41.65.4 Terms and Conditions (Cont'd)

(A) Term Period (Cont'd)

Rate stability under Contract Offer No. 65 applies only to the rates specific to this Contract Offer as outlined in Section 41.65.5 of this Contract Offer. Purchase of the services listed above under Contract Offer No. 65 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 & 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.

Purchase of the services listed above under Contract Offer No. 65 are subject to the specific terms and conditions of Section 41.65.4. Purchases of the services listed above under Contract Offer 65 are also subject to general terms and conditions of Tariff F.C.C. No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(B) Contract Offer No. 65 is available for subscription only from September 29, 2005 through October 29, 2005.

(C) In order to subscribe to Contract Offer No. 65, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) If, after the Telephone Company receives and executes 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.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 - [1] Service Offer (Cont'd)

41.65.4 Terms and Conditions (Cont'd)

(E) The Customer must submit an access service order to the Telephone Company within 30 days after the Telephone Company executes the Customer's LOS. Failure to submit an access service order within the required interval shall constitute cancellation of the LOS.

(F) If the Customer discontinues service under Contract Offer No. 65 during the Term Period, termination liability charges will apply in accordance with Section 41.65.8.

(G) If the Customer requests additional service features and functions not included in Section 41.65.5 of this Contract Offer, the Customer will pay the tariff rates for those additions as contained in Section 39 - Metropolitan Statistical Area Access Services.

(H) The Customer shall purchase at least one new [1] pursuant to this Contract Offer. In addition, the Customer shall purchase at least 500 DS1 services, subtending the first [1] service ordered pursuant to this Contract Offer within twelve (12) months of contract subscription, and 600 subtending DS1 services within twenty-four months (24) of contract subscription.

(I) All DS3 and DS1 elements listed in section 41.65.5 must subtend [1] services ordered pursuant to this Contract Offer.

(J) The Customer will not be able to combine this Contract Offer with any other promotional, contract offering, or discount plan in conjunction with this Contract Offer.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 - [1] Service Offer (Cont'd)

41.65.5 Rates and Charges

(A) [1] Service Rates and Charges—First New SONET Ring:

The Customer shall pay the following Non-Recurring Charge (NRC) and Monthly Recurring Charges (MRC) for the first, new [1] ordered under this Contract Offer:

Non-Recurring Charges (NRCs):
Administrative Charge (ORCMX) - $60
Design and Central Office Connection Charge (NRMCK) - $600

Monthly Recurring Charge (MRC):
[1] Service - [1]

The first new [1] Service MRC includes the following elements listed in Table A:

Table A

[1]	USOC	Quantity
[1]	[1]	5
[1]	[1]	1
[1]	[1]	16
[1]	[1]	48
[1]	[1]	104
[1]	[1]	2

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 - [1] Service Offer (Cont'd)

41.65.5 Rates and Charges (Cont'd)

(A) [1] Service Rates and Charges—Additional New [1]:

The Customer shall pay the following Non-Recurring Charges (NRCs) and receive the following Monthly Recurring Charges (MRC) discounts for each additional, new [1] ordered under this Contract Offer for the rate elements listed in Table B, after the first, new [1]:

Non-Recurring Charge (NRC):
Administrative Charge (ORCMX) - $60
Design and Central Office Connection Charge (NRMCK) - $600

Monthly Recurring Charge (MRC) discounts:

[1] Service

Table B

[1]	USOC	MRC Discount
[1]	[1]	25%
[1]	[1]	25%
[1]	[1]	25%
[1]	[1]	25%
[1]	[1]	25%

If additional new [1] are added after the installation of the first [1] in 41.65.5(A), the additional new [1] Service will be co-terminus with the initial Term Period outlined in section 41.65.4(A). However, if an additional new [1] service is ordered during the last twelve (12) months or less of the Term Period, the Customer will be billed the MRCs listed above for a minimum period of twelve (12) months, and if the Term Period for the additional new [1] Service is less than twelve (12) months, the Customer shall be billed at the above MRC with any lump-sum to be billed at the end of the Term Period.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 - [1] Service Offer (Cont'd)

41.65.5 Rates and Charges (Cont'd)

(A) Subtending DS3 Service Rates and Charges:

The Customer will receive a 25 percent discount on the following monthly recurring charge rate elements for any DS3 service that subtends [1] Services ordered pursuant to this Contract Offer listed in Table C.

Table C

Rate Element	USOC
DS3 Interoffice Fixed Mileage	10XLX
DS3 Interoffice Variable Mileage	1HXLS
DS3 to DS1Multiplexor	MKM

When a DS3 is added to the [1], the DS3 must be ordered under a sixty (60) month service term plan but will be co-terminus with the initial Term Period outlined in section 41.65.4 (A).

Prevailing tariff Non-Recurring Charges for DS3 service shall apply.

(B) Subtending DS1 Service Rates and Charges:

The Customer will receive a 25 percent discount on the following monthly recurring charge rate elements for any DS1 service that subtends [1] Services ordered pursuant to this Contract Offer listed in Table D.

Table D

Rate Element	USOC
DS1 Channel Termination	TMECS
DS1 Interoffice Fixed Mileage	1L5XX
DS1 Interoffice Variable Mileage	1L5XX

When a DS1 is added to the [1], the DS1 must be ordered under a sixty (60) month service term plan, but will be co-terminus with the initial Term Period outlined in section 41.65.4 (A).

Prevailing tariff Non-Recurring Charges for DS1 service shall apply.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 – [1] Service Offer (Cont'd)

41.65.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in Tariff F.C.C. No. 73, 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) or (b) 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 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.

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 – [1] Service Offer (Cont'd)

41.65.7 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in 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.

41.65.8 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in Ameritech Telephone Company, Tariff F.C.C. No. 73, Section 7. If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.65.3, or the Terms and Conditions in Section 41.65.4.

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:

50% of all monthly recurring charges for the balance of the Customer's five (5) year Term Period for all services under contract ([1], DS3 and DS1 services).

[1] See footnote (1) on page 41-551.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.65 Contract Offer No. 65 – [1] Service Offer (Cont'd)

41.65.8 Termination Liability (Cont'd)

All remaining in-service Subject Services will convert back to the prevailing tariff rates at the term that the Customer signed up for. Prevailing tariff rates are in Section 39.

The termination liability charge shall be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in billing) multiplied by (Termination percentage of 50%)

Example: Customer with a $75,000 monthly recurring charge terminates service after three (3) years and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

$75,000 X 24 months X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-551.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.66 Contract Offering No. 66 – Access Discount Offer

41.66.1 General Description

Contract Offer No. 66 – Access Discount Offer is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39, and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1. To be eligible for discounts under this Contract Offer, the Customer must meet the Eligibility Criteria set forth in Section 41.66.2, and also must comply with all terms and conditions of this Contract Offer.

Contract Offer No. 66 requires eligible customers to establish and maintain a Total Revenue Commitment (TRC), as described in Section 41.66.6 following. The TRC shall include all Contributory Services subject to this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 41.66.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.66.5, Table 4, herein. Contributory Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described in Section 41.66.5 must be purchased through the SBC wholesale sales channel (SBC Industry Markets). Any Frame Relay Contributory Services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the web site established to make public any agreements for these services. Customers may reference https://primeaccess.att.com.

In the event the Customer does not meet its monthly TRC amount, the Customer must remit the shortfall payment via the Monthly True-Up process set forth in Section 41.66.6. If the Customer does not meet the total TRC amount at the end of each Contract Year of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 41.66.8. If the Customer does not comply with all terms and conditions of this Contract Offer (exclusive of the terms and conditions of non-tariffed agreements referenced herein) and cure any non-compliance within the cure period set forth in Section 41.66.13(A) of this Contract Offer, termination liability charges, in accordance with Section 41.66.13, will apply. Contract Offer No. 66 will be available only from November 19, 2005 through December 19, 2005.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.2 Eligibility Criteria (Nx)

The following eligibility criteria must be met to subscribe to Contract Offer No. 66:

(A) Managed Value Plan (MVP) Subscription

(1) At the time of subscription to this Contract Offer, the Customer must be, or have been, a participant under MVP agreements within the last 90 days, pursuant to:

(a) SWBT Tariff F.C.C. No. 73, Section 38;
(b) Ameritech Tariff F.C.C. No. 2, Section 19; and
(c) Pacific Bell Tariff F.C.C. No. 1, Section 22.

(2) The Customer must maintain eligibility under all MVP agreements until they expire. (Nx)

(3) All such MVP agreements must expire in 2005.

(B) As of December 1, 2005, the Customer must have billed revenue from Contributory Services, as listed in Section 41.66.5, net of all discounts, credits, and adjustments equal to or greater than 86.5 percent of the Customer's Gross Spend (as defined in Section 41.66.6) for the calendar year 2004, rounded to the nearest million, times 11/12ths; or, if the Customer's Gross Spend as of December 1, 2005 is less than that amount, the Customer must pay the Telephone Company, or any of its affiliated telephone companies as described in Section 41.66.2(C), an additional amount sufficient to make up the shortfall from that amount, no later than sixty (60) days after December 1, 2005.

(C) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 66 pursuant to the following tariffs: (Nx)

(1) NBTC Tariff F.C.C. No. 1, Section 23, Contract Offer No. 5;
(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 74;
(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 22; and
(4) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 90. (Nx)

Breach, cancellation or termination of any of these Contract Offers after the expiration of any cure provisions described in this Contract Offer, shall constitute a breach, cancellation or termination of all of these Contract Offers.

(D) Discounts applied under Contract Offer No. 66 are applicable for Contributory Subject Services located in MSAs as listed in Tariff F.C.C. No. 73, Section 39.

(x) Issued under Authority of Special Permission No. 05-060 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.3 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) will begin on December 1, 2005 and end on December 31, 2007, upon submission of a signed Letter of Subscription.

(B) Terms and Conditions

(1) The Customer must establish and maintain a TRC as described in Section 41.66.6.

(2) A True-up will take place each month during the Term Period and annually at the end of each Contract Year, as defined in Section 41.66.6.

(a) With respect to each month's billing, the monthly true-up will include all qualified billing from Contributory Services, as described in 41.66.6(B), and will take place no later than 60 days after the end of the month, as described in Section 41.66.8,

(b) With respect to each Contract Year's billing, the annual true-up will include all qualified billing from Contributory Services, as described in Section 41.66.6, and will take place no later than 60 days after December 31, as described in 41.66.8,.

(3) MVP credits will continue to apply, if applicable, as described in Tariff F.C.C. No. 73, Section 38 until expiration of the MVP agreement. The MVP MATA process will take place as described in Tariff F.C.C. No. 73, Section 38.3.

(4) Contract Offer No. 66 is available for subscription only from November 19, 2005 through December 19, 2005.

(5) Any Customer-requested transfer of services purchased from SBC non-wholesale entities or channels, or purchased by the Customer under a different Access Customer Name Abbreviation (ACNA) than those identified at time of subscription, will require an equivalent increase in the Customer's TRC commitment based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit amount will not change as a result of this transfer.

(6) Any conversion of UNE or equivalent offerings to Contributory Subject Services, subject to this Contract Offer, will result in an increase in the TRC commitment equal to the revenue associated with those Contributory Subject Services and according to the rates that would apply to those Contributory Subject Services under this Contract Offer. This increase will apply to the TRC each subsequent year of the Term Period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) The Customer will be eligible to subscribe to contract offers in Section 41 (or any successor section) filed after Contract Offer No. 66, in combination with this Contract offer, unless such contract offer states that it may not be combined with other contract offers, or as long as such contract offers do not reduce the TRC under this Contract Offer and the Customer qualifies for, and adheres to the terms, conditions and eligibility requirements of the other contract offer.

(a) If the Customer has subscribed to any other contract offer and chooses to terminate the other contract offer for purposes of subscribing to this Contract Offer, any termination liabilities provided in the other contract offer will apply according to the terms of the other contract offer.
(b) If the Customer purchases Contributory Subject Services pursuant to another contract offer, in addition to this Contract Offer No. 66, the Customer will not be eligible to earn Achievement Credits with respect to any charges that apply under the other contract offer.
(c) If the Customer purchases Contributory Services pursuant to another contract offer that states it may not be combined with other contract offers, the Contributory Services purchased under the other contract offer will not count toward achievement of Gross Spend or TRC under this Contract Offer.

(8) The Customer may choose to remove from this Contract Offer services provided under one or more Access Customer Name Abbreviations (ACNAs) without liability; however, the TRC commitment will not be reduced and the Access Service Ratio under Contract Offer No. 66 will continue to apply.

(9) Terms and Conditions for Contributory Subject Services, pursuant to other contract offers the Customer is currently subscribed to at the time of subscription to this Contract Offer, shall continue to apply to those Contributory Subject Services covered under the other contract offers.

(10) Contributory Services continue to be governed by the otherwise applicable rates, terms and conditions provided in Tariff F.C.C. No. 73 (including MVP provisions with respect to services subject to MVP for so long as the Customer's MVP subscription remains in effect) except as noted herein.

(11) The Customer must subscribe to the services available under this Contract Offer in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service.

(12) The Customer must submit a Letter of Subscription (LOS) to the Telephone Company as described in Section 41.66.3(A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(13) The Customer must maintain an Access Service Ratio equal to or greater than 95 percent, except as described in Section 41.66.11 (B). The Access Service Ratio is defined in Section 41.66.4, and will be measured monthly.

(14) Commingling, as defined in Tariff F.C.C. No. 73, Section 2.7, of Subject Services under this Contract Offer, is prohibited.

(15) The Customer shall be permitted to Groom Contributory Subject Services subject to this Contract Offer as provided in this Section. Grooming is defined as moving, rearranging, or rolling over circuits subject to this Contract Offer without disconnecting the end user locations of those circuits. During Contract Years 2 and 3 (and during Years 4 and 5, if the Customer has exercised extension options), the Customer shall be permitted to Groom up to 9,000 circuits subject to this Contract Offer per year. The sum of all circuits groomed under the individual contract offers listed In Section 41.66.2(C) cannot exceed 9,000. Grooms shall be scheduled and managed on a monthly basis according to the otherwise applicable operational methods and procedures.

(16) The Customer must remit bill payments as described in F.C.C. No. 73 Section 2.5 for all Contributory Services via electronic payment process. The Telephone Company will provide Customer with written notice if Customer fails to comply with the requirement. The Customer will have fifteen (15) business days from receipt of such written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination of any of the Contract Offers, as described in Section 41.66.2 (C), termination liability charges, as set forth in Section 41.66.13, will apply. Credits, if applicable, will not be issued until the Customer has paid all billed charges.

(17) If the Customer discontinues service under Contract Offer No. 66 during the Contract Period, termination liability charges will apply in accordance with Section 41.66.13.

(18) The Customer may exercise Contract Offer extension options as described in Section 41.66.9.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 - Access Discount Offer (Cont'd)

41.66.4 Access Service Ratio

(A) As referenced in Section 41.66.4, the Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater, except as described in Section 41.66.11(B) of this Contract Offer. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 95 percent, except as provided in Section 41.66.11.

The 95-percent ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' current interstate recurring billed revenue associated with the rate elements, as defined in Table 1 below, or comparable interstate access services, from the Telephone Company or its affiliated telephone companies in any of the Contract Offers as described in Section 41.66.2(C):

Table 1:

Service	General/Basic Description
Voice Grade	7.3.4(A)
High Capacity Services	7.3.10
(1)	(1)
(1)	(1)
(1)	(1)

Any shortfall payments remitted to meet the monthly TRC commitment will be included in the Access Revenue calculation for the applicable month.

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table 2 herein, from the Telephone Company or its affiliated telephone companies, in any of the Contract Offers as described in Section 41.66.2 (C) and not included in the interstate or intrastate access tariff(s).

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and OCN PTP 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. 66 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

Table 2 **UNE OR EQUIVALENT OFFERINGS NOT PURCHASED PURSUANT TO THIS AGREEMENT**

Service Level	Associated Rate Elements Not Included in Interstate Tariff
Voice Grade/DS0	**2-wire analog and 2-wire digital loops 2-wire analog and digital transport**
DS1/LTI	**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/LT3	**DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services**
OC-3 OC-12 OC-48	**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 Transport Products	**Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport**

(3) Services purchased pursuant to a Local Wholesale Complete (LWC) Agreement shall not be included in the calculation of the Customer's Access Service Ratio.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 - Access Discount Offer (Cont'd)

41.66.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(4) As new rate elements are introduced to Table 1 in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) As new rate elements are introduced to Table 2 in Section 41.66.4(A)(2), all recurring revenues associated with the new rate elements will automatically be added to the Customer's Annual Wholesale Revenue, as defined in Section 41.66.4(A) preceding, for calculation of the Access Service Ratio.

(6) Except as provided in Section 41.66.11, if the Customer fails to meet the Access Service Ratio in any given month of the Contract Period, upon notification from the Telephone Company as described in Section 41.66.2 (C), the Customer will have ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 95-percent Access Service ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default, and the Telephone Company shall have the right to terminate Contract Offer No. 66. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.66.13.

Credits will not be issued for any month the Customer fails to meet the Access Service Ratio as described in Section 41.66.6 following.

41.66.5 Contributory Services

The TRC shall include all Contributory Services purchased from the Telephone Company and its affiliated telephone companies in any of the contract offers, as described in Section 41.66.2 (C), eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 41.66.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.66.5, Table 4, herein.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services. Customer's TRC includes revenue from all Contributory Services being provided by the Telephone Company and its affiliated telephone companies in any of the contract offers described in Section 41.66.2 (C), as listed in Table 3 and 4 below.

(A) Contributory Subject Services

Contract Offer No. 66 applies to pricing flexibility qualified access services (referred to as Contributory Subject Services) located in pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Tariff F.C.C. No. 73, Section 39. Contributory Subject Services are eligible for discounts and credits under this Contract Offer and are listed in Table 3.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 - Access Discount Offer (Cont'd)

41.66.5 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer, and are listed in Table 4 below.

Table 3 - CONTRIBUTORY SUBJECT SERVICES

Contributory Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 41.66.6 following, for all services located in Pricing Flexibility MSAs.	

Table 4 - CONTRIBUTORY NON-SUBJECT SERVICES

Contributory Non-Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport as described in Table 6, following.
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Intrastate Switched Access	Equivalent services as described in Table 6 following.
Advanced Services	Frame Relay Service
Includes all Recurring and Non-Recurring Charges (including termination charges) associated with the products listed, where applicable, except as described in Section 41.66.6 following, for all non-price flex qualified services.	
Frame Relay services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the web site established to make public any agreements for these services. Customers may reference https://primeaccess.att.com.	

All Terms and Conditions for all Contributory Services are governed by their respective tariff sections.

[1] See footnote (1) on page 41-566.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC)

The Customer must establish and maintain a Total Revenue Commitment (TRC) as provided in this Contract Offer. Upon subscription, the Customer's TRC will be established, as described in Table 5 below, based on billed revenue from Contributory Services, as listed in Section 41.66.5, net of all discounts, credits, and adjustments as specified in Section 41.66.6(B).

The Contract Year shall be each Calendar Year, or fraction thereof, to which this Contract Offer applies, as described in Table 5 below.

Table 5

Contract Year	2005 (Dec)	2006	2007
TRC equals	86.5% of 2004 Gross Spend described in (A) below, rounded to the nearest million dollars, times 1/12's	2005 TRC times 12 times 89.7%, rounded to the nearest million dollars	2005 TRC times 12 times 83.4%, rounded to the nearest million dollars

(A) Gross Spend shall include all billed revenue for services identified in Section 41.66.6(A), and shall be based on the sum of all of the purchases from the Telephone Company and its affiliated telephone companies, including all of the contract offers as described in Section 41.66.2 (C), as described in Section 41.66.5 preceding, based on billed revenue. The Gross Spend is calculated as billed revenue, prior to the application of MVP discounts, MVP Service Level Agreement (SLA) credits and Discount Value Plan (DVP) credits, but after all other tariff term plan discounts, and other underlying tariff performance credits.

(1) Interstate Special Access recurring charges billed to the Customer associated with services described in Section 41.66.5 Table 3 and 4 preceding.

(2) Interstate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges), except as noted in 41.66.6(A)(7).

(3) Intrastate Special Access recurring charges billed to the Customer associated with services described in Section 41.66.5 Table 4 preceding.

(4) Intrastate Special Access non-recurring charges billed to the Customer (including but not limited to items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges), except as noted in 41.66.6(A)(7).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(A) (Cont'd)

(5) Interstate Switched Access Dedicated Transport recurring and non-recurring charges (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer for rate elements in Table 6 below.

Table 6

Service	General Basic Description
Entrance Facilities	Section 6.8.1(A)
Direct Trunk Transport	Section 6.8.1(B)

(6) Intrastate Switched Access Dedicated Transport recurring and non-recurring charges (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer and remitted for rate elements equivalent to those described in Table 6 above.

(7) Non-recurring charges identified in 41.66.6(A)(2), (4), (5) and (6) exclude Special Construction and unregulated time and materials charges (e.g. Inside Wire, Custom Work Orders, etc.)

(B) Application of Credits

The Customer is eligible to receive two (2) types of credits under this Contract Offer. For the purposes of this Contract Offer, Customer will receive any applicable credits (the Basic Credit and Achievement Credit) through the SBC wholesale sales channel for all of the contract offers as described in Section 41.66.2 (C). The sum of all Basic Credits applicable under the individual contract offers listed in Section 41.66.2 (C) cannot exceed the total maximum Basic Credit described in Table 7 following. Award of the credits described below under this Contract Offer shall satisfy the credit obligations of the Telephone Company and its affiliated telephone companies to the Customer, as described in Section 41.66.2(C).

(1) Basic Credit

The Basic Credit for each Contract Year shall be equal to the Gross Spend of Contributory Services minus the TRC, but not to exceed the Maximum Basic Credit as described in Table 7. This calculation shall be performed at the commencement of the Contract Offer, and the Maximum Basic Credit resulting from these calculations will not change at any time during the Term Period except as described in Section 41.66.11 following. The Customer will receive Basic Credits on Contributory Subject Services on a monthly basis, as provided in Section 41.66.6(B)(1)(b), for each Contract Year and subject to the true-up process described in Section 41.66.8 following.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) Calculation of the Basic Credit. To determine the amount of Basic Credit the Customer can achieve, the TRC is multiplied by the applicable percent as described in Table 7 below. This amount, less the TRC, will equal the potential Maximum Basic Credit, rounded to the nearest million. If qualified, award of Basic Credit under this Contract Offer shall satisfy the Basic Credit obligations of the Telephone Company and its affiliated telephone companies.

Table 7

Year	TRC	Maximum Basic Credit Amount
2005	86.5% of 2004 Gross Spend described in (A) below, rounded to the nearest million dollars, times 1/12's	310% of TRC minus the TRC amount, rounded to the nearest million dollars
2006	2005 TRC times 12 times 89.7%, rounded to the nearest million dollars	119.6% of TRC minus the TRC amount, rounded to the nearest million dollars
2007	2005 TRC times 12 times 83.4%, rounded to the nearest million dollars	123.7% of TRC minus the TRC amount, rounded to the nearest million dollars

Example A: The Customer has 2004 Gross Spend of $121.3M. 86.5 percent of 2004 Gross Spend equals $105M, rounded to the nearest million.

The 2005 TRC is equal to 1/12th of $105M.
1/12th of $105M equals $8.75M

The eligible total Basic Credit available is;

$8.75M x 310% = $27.13M

$27.13M - $8.75M = $18.38M, rounded to the nearest million, equals potential maximum Basic Credits

(This page filed under Transmittal No. 1)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) (Cont'd)

Example B: The 2006 TRC is equal to 2005 TRC times 12 times 89.7 percent, rounded to the nearest million.

8.75M x 12 x 89.7% = $94.18M, rounded to the nearest million

The eligible total Basic Credit available is;

$94M x 119.6% = $112.42M

$112.42M - $94M = $18.42M, rounded to the nearest million equals maximum Basic Credits

(b) Application of the Maximum Basic Credit

The TRC will be divided evenly across the number of months for each Contract Year ending December 31st as described below. The resulting monthly average amount will be the Customer's Monthly TRC commitment.

2005 – Contract Year 1 – 1 month
2006 – Contract Year 2 – 12 months
2007 – Contract Year 3 – 12 months

Example:

2005 TRC equal $8.75M

Maximum Basic Credits will be applied to the Customer's Monthly TRC revenue for Contributory Services, as described in Section 41.66 5 preceding, based on the amount above the Monthly TRC commitment, not to exceed the maximum Basic Credit allowed for each Contract Year as described in Table 7 preceding.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(b) Application of the Maximum Basic Credit (Cont'd)

If the Customer exceeds the Monthly TRC commitment, a credit will be issued on a monthly basis sixty (60) days in arrears. Monthly credits will be issued for every month the Customer maintains eligibility under Contract Offer No. 66 and exceeds the Monthly TRC Commitment, provided, however, that once the maximum Basic Credit is reached, as described in Table 7 preceding, no additional Basic Credits will be given for that Contract Year.

At MVP expiration, a MATA true-up will be conducted as described in F.C.C. 73, Section 38.3, to determine the Customer's credit amount or required buy-up amount under MVP. The monthly TRC true-up will be calculated at the same time. Customer will be paid the net amount above the TRC. At the end of the Contract Year, a true-up will be conducted, as described in Section 41.66.8, to determine any additional applicable credits or buy-up amount required.

Example: The Customer's MVP expires on October 31, 2005. Under MVP MATA on October 31, the Customer has met its MARC and is due $2M in MVP credits (earned in 2005), plus $1M in MVP SLA credits (earned in 2005), for a total MVP credit amount of $3M.

The Customer's monthly TRC under this Contract Offer is $8.75M, and Customer is billed $9.75M.

The Customer will receive the $1M under Contract Offer No. 66.

At the Contract Year true-up, the total Gross Spend and total credits paid to the Customer, as described in Section 41.66.6 above, will be calculated to determine any additional applicable credit amount or, if a TRC shortfall occurs, the amount of buy-up the Customer will be billed.

If the Customer does not achieve the Monthly TRC commitment in a given month, the Customer will be billed, and will be required to pay, the amount required to meet the Monthly TRC commitment. This payment must be submitted to the Telephone Company no later than (sixty) 60 days after the true-up date. Timely payment of this true-up amount to meet Customer's Monthly TRC commitment shall constitute full satisfaction of Customer's Monthly TRC obligation.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credits (Cont'd)

(b) Application of the Maximum Basic Credit (Cont'd)

Except as provided in Section 41.66.11, credits will not be issued unless the Customer has met the monthly TRC and the 95 percent Access Service Ratio. Under the Contract Year True-up Process, any credits due to the Customer will be paid, except for those months the Customer was not in compliance with the 95 percent Access Service Ratio, or the Temporary Access Service Ratio set forth in Section 41.66.11. Any Basic Credits paid will not exceed the amount described in 41.66.6, Table 7.

A final true-up will take place at the end of each Contract Year as described in Section 41.66.8.

(c) Any of the following credits issued to the Customer and associated with the Contributory Services included in the TRC (including MVP Commitment credits earned in 2005, MVP SLA credits earned in 2005, DVP credits, any Basic Credits received pursuant to this Contract Offer) will be applied by the Telephone Company in satisfaction of any applicable Basic and Achievement Credit obligations under this Contract Offer.

Example

The Customer has Contract Year 1 TRC of $8.75M. The Customer achieves 310 percent of the Contract Year 1TRC, equal to $27.13M. The Customer has received, or is entitled to receive, a total of $7M in MVP Commitment Credits and $2M in MVP SLA Credits, for a total of $9M in credits unrelated to this Contract Offer.

The Basic Credit obligation of the Telephone Company and its affiliated telephone companies providing service pursuant to the Contract Offers, as described in Section 41.66.2 (C), is $18M ($27.13M - $8.75M, rounded to the nearest million), as illustrated in Table 7. The Basic Credit obligation will be satisfied by the $9M in non-contract related credits acquired by the Customer under MVP and MVP SLA, plus $9M in Basic Credits paid pursuant to this Contract Offer. This amount will be determined at the time of the final Contract Year true-up, once all other credits have been applied accordingly.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credits (Cont'd)

(c) (Cont'd)

The Customer will not pay less than the TRC for the Contract Year. If the Customer does not achieve the TRC at the end of each Contract Year through the purchase of Contributory Services, the Customer will be required to pay the deficiency as full satisfaction of this obligation.

Basic Credits shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 41.66.2 (C). If qualified for a Basic Credit, an award of Basic Credit under this Contract Offer shall satisfy any Basic Credit obligations of the concurrently subscribed to contract offers as described in Section 41.66.2 (C), and an award of Basic Credit under such other contract offers shall satisfy any Basic Credit obligations under this Contract Offer No. 66.

(2) Achievement Credits

Achievement Credits are those credits the Customer will receive based on purchases of Contributory Subject Services above the TRC, plus the maximum Basic Credit Amount, as described in Table 7 preceding. Achievement Credits will not be applicable until the maximum Basic Credit amount has been achieved.

(a) The Customer may receive Achievement Credits if the Customer's Gross Spend for any Contract Year exceeds the TRC plus the Maximum Basic Credit, as described in Table 7 preceding. The Customer will receive a discount on Contributory Subject Services equal to 17 percent of total revenue above the sum of the TRC, plus the Maximum Basic Credit Amount. Any applicable Achievement Credit will be paid out at the end of each Contract Year.

Achievement Credits shall be calculated and awarded on an aggregate basis across the Telephone Company and its affiliated telephone companies, as they apply to the contract offers as described in Section 41.66.2 (C). If qualified, award of Achievement Credit under this Contract Offer shall satisfy the Telephone Company's Achievement Credit obligations.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(2) Achievement Credits (Cont'd)

(a) (Cont'd)

Example:

The Customer has TRC for Contract Year 1 of $8.75M. The Customer achieves 325 percent of TRC equal to $28.44M. The Customer will receive $18M in Basic Credits as described above, and the Customer will receive $223K in Achievement Credits calculated as follows:

($28.44M minus (Contract Year 1 TRC x 310%)) x 17%

$28.44M – $27.13M ($8.75M x 310%) = $1.31M
$1.31M x 17% = $223K (Achievement Credits).

Table 8

310% of TRC	$27.13M
Gross Spend Achievement during Contract Year (GSA)	$28.44M
Difference between 310% of TRC and GSA	$1.31M
Credit due for billed revenue above 310% of TRC x 17%	$223K

The Customer receives $18M in Basic Credits plus $223K in Achievement Credits, for total credits of $18.223M, as described in Table 8.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.6 Calculation of Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(3) Transfer of Qualified Services

(a) The Customer may transfer services purchased from SBC non-wholesale entities or channels, or purchased by the Customer under a different Access Customer Name Abbreviation (ACNA) than those identified under this Contract Offer. Upon such transfer, the Customer's TRC commitment must be increased proportionally, based on the amount of revenue associated with the transferred services. The Customer's Maximum Basic Credit amount will not change as a result of this transfer.

Example:

The Customer has a Contract Year 1 TRC of $8.75M and is eligible to earn up to a maximum of $18M in Basic Credits. The Customer transfers $10M of services from a non-SBC wholesale entity. The Customer's new Contract Year 1 TRC will be $18.75M ($8.75M plus $10M = $18.75M). The Customer's maximum Basic Credit ($18M) will not change as a result of the transfer.

This increase in the TRC amount will apply to Contract Year 2 and Contract Year 3, as well as the optional Contract Year Extensions.

41.66.7 Portability

(A) The Telephone Company will waive termination liability charges for moves and/or disconnection of non-channelized DS1, DS3, [1] services connecting to an end user premise, provided the conditions listed below are met, and provided the Eligibility Criteria in Section 41.66.2, and terms and conditions in Section 41.66.3 have been met. If the Customer both (i) fails to meet the monthly TRC during the Contract period pursuant to Section 41.66.6, and (ii) fails to pay the True-up amount, as defined in Section 41.66.8, or if the Customer fails to comply with the terms and conditions of their underlying term plans, the Customer will be back-billed for termination liability charges that were waived during the Term Period, up to a maximum of two years of such charges, to the extent such termination liability charges would otherwise apply under the relevant underlying term plans. Portability will apply subject to the following terms and conditions:

(1) Each move and/or disconnection must be from any SBC Tariff as described in Section 41.66.1; and

(2) Services moved or disconnected must be in the Price Flex MSAs described in Tariff F.C.C. No. 73, Section 39.

[1] See footnote (1) on page 41-566.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.7 Portability (Cont'd)

(A) (Cont'd)

(3) Services must be non-channelized and must include at least one end user termination. The end user must be disconnected.

(4) The Customer must meet the minimum in-service period for each service, as described below:

(a) DS1 – no minimum in-service period;
(b) DS3, [1] and [1] Services – 1 year minimum in-service period; and
(c) [1] and [1] Services – 3 year minimum in-service period;

(5) The Customer must continue to meet the terms and conditions of any underlying term plan.

41.66.8 End of Contract Year True-up Process

A true-up calculation will be performed at the end of each Contract Year during the Term Period as follows:

(A) At the end of each Contract Year, the Customer's Gross Spend, as defined in Section 41.66.6 preceding, will be calculated to determine the applicable Basic Credit and Achievement Credits.

For true-up calculation purposes, the Gross Spend for Contract Year 1 will include the Customer's Contributory Service revenue for the full 2005 calendar year. The amount of Contributory Service minimum required revenue at final true-up for Contract Year 1 will be the 2005 TRC, plus 11/12ths of 86.5 percent of the 2004 Gross Spend, rounded to the nearest million. The applicable Basic Credit Amount and Achievement Credit Amount received as a result of this calculation will apply only to the TRC amount included in this Contract Offer, as described in Section 41.66.6 Table 7 preceding.

For Contract Years 2 and 3, the minimum required revenue shall be equal to the TRC.

The Basic Credit Amount shall be equal to the Gross Spend minus the TRC for each year (or, for Contract Year 1, the Gross Spend minus the sum of the TRC plus 11/12ths of 86.5 percent of 2004 Gross Spend), provided, however, that the Basic Credit Amount shall not exceed the amount provided in Section 41.66.6 Table 7 preceding, and will only apply to the TRC amount included in this Contract Offer.

Credits received under this Contract Offer during the Contract Year, as well as any MVP credits earned in 2005, MVP SLA credits earned in 2005, and DVP credits, will be calculated to determine the amount of Basic Credit the Customer has been paid.

[1] See footnote (1) on page 41-566.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.8 End of Contract Year True-up Process (Cont'd)

(B) If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is greater than the minimum required revenue at time of the true-up, the Customer will receive a Basic Credit against Contributory Subject Services equal to the amount above the TRC, not to exceed the amount outlined in Section 41.66.6(B) Table 7 preceding.

Example 1: The Customer's TRC for the first Contract Year is \$8.75M. The Customer's Gross Spend for Contributory Services, after all credits and adjustments as described above, is \$10M. The Customer will receive an additional Basic Credit equal to \$1.25M

If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is below the minimum required revenue at the time of the true-up, the Customer will be billed the amount required to meet the minimum required revenue and will pay such charge pursuant to Section 41.66.8 (D).

Example 2: The Customer's TRC for the first Contract Year is \$8.75M. The Customer's Gross Spend for Contributory Services, after all credits and adjustments as described above, is \$7M. The Customer must pay \$1.75M.

If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is greater than the TRC times the maximum Basic Credit (plus 11/12ths of 86.5% of 2004 Gross Spend for Contract Year 1), as described in Section 41.66.6, Table 7, the Customer will receive the Maximum Basic Credit against Contributory Subject Services as described above, and an Achievement Credit against Contributory Subject Services (equal to a 17 percent discount on services above the TRC times the maximum Basic Credit amount, plus 11/12ths of 86.5 percent of 2004 Gross Spend for Contract Year 1).

Example 3: The Customer's TRC for the first Contract Year is \$8.75M. The Customer's Gross Spend for Contributory Services after all credits and adjustments as described above, is \$28.44M. The Customer receives \$18M in Basic Credits and \$223K in Achievement Credits.

(C) If, at the time of final true-up, the Telephone Company or any of its affiliated telephone companies described in Section 41.66.2 (C), owe the Customer a Basic Credit amount as described above, the credit will be applied to the Customer's bill no later than 60 days after the final true-up date.

(D) If, at the time of true-up, the Customer must make a true-up payment to meet the TRC as described above, the true-up payment must be submitted to the Telephone Company no later than 60 days after the true-up date. The true-up amount will appear on the Customer's monthly invoice.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.9 Contract Extension Options

At the Customer's option, the Customer may extend this Contract Offer at the end of the Term Period. The Customer may extend for one year at the end of Term Period (First Extension Option), and may also extend the Contract Offer by another year at the end of the first extension year (Second Extension Option). The First Extension Option and Second Extension Option must be exercised concurrently for all contract offers described in Section 41.66.2(C). Those contract offers may not be extended individually. To exercise either option, the Customer must notify the Telephone Company and its affiliated telephone companies as described in Section 41.66.2 (C), in writing, no later than 60 days prior to the expiration of the Term Period or, for the Second Extension Option, 60 days prior to the expiration of the First Extension Option.

For the First Extension Option, the TRC shall be determined as follows:

The TRC amounts for the First Extension Option will be equal to the last 3 months of qualified Contributory Services revenue in Contract Year 3 times 4 times 83 percent, or the Contract Year 3 TRC, whichever is greater. The maximum Basic Credit will be equal to the TRC times 120 percent minus the TRC amount, less any Basic Credit reductions applied during the Term Period of this Contract Offer, as described in Section 41.66.11(A) following. An Achievement Credit of 17 percent will apply on revenue above 120 percent of the TRC, except as described in Section 41.66.11 (A) following.

Example:

(TRC X 120% - TRC) – (any credit reduction as described in Section 41.66.11)

For the Second Extension Option, the TRC shall be determined as follows:

The TRC amount for the Second Extension Option will be equal to the last 3 months of qualified Contributory Services revenue in Contract Year 4 times 4 times 83 percent, or the Contract Year 4 TRC, whichever is greater. The maximum Basic Credit Amount will be equal to the TRC times 120 percent minus the TRC amount, less any Basic Credit reductions applied during the Term Period of this Contract Offer, or under the First Extension Option as described in Section 41.66.11(A) following. An Achievement Credit of 17 percent will apply on revenue above 120 percent of the TRC, except as described in Section 41.66.11 (A) following.

Example:

(TRC X 120% - TRC) – (any credit reduction as described in Section 41.66.11)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.10 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 66 pursuant to F.C.C. No. 73, Section 2.2.1 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1, unless:

(A) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (1) or (2) below, or

(B) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 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.

(2) 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 "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.

All of the contract offers described in Section 41.66.2(C) must be assigned or transferred concurrently. Those contract offers may not be assigned or transferred individually.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions

(A) The terms and conditions 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 its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company (the foregoing generally referred to herein as a merger or acquisition). Any other company involved in such merger or acquisition shall be identified for purposes of this Contract Offer as an Acquired Company, without regard to whether the Customer or the Acquired Company is the surviving entity following the transaction. The Transaction Close Date shall be the date upon which a stock purchase has been completed and/or the final date on which the assets of the acquired/merged company have been purchased. Upon the Transaction Close Date, if the Acquired Company purchases any services that are Contributory Services under this Contract Offer No. 66 from the Telephone Company and each of its affiliated telephone companies in each of the contract offers described in Section 41.66.2 (C), the Contributory Services purchased by the Acquired Company will not count toward the Gross Revenue achievement or TRC amount, and the Contributory Services provided for in this Contract Offer will continue to be maintained at the same volume, rates, terms, and conditions as outlined herein.

Effective upon the Transaction Close Date:

The Acquired Spend shall be calculated for the Acquired Company, including the Acquired Company's billed revenue for Contributory Services consistent with the manner of calculating Gross Spend, as provided in Section 41.66.6(A) of this Contract Offer, plus the Acquired Company's billed revenue for UNE or equivalent offerings, as described in Section 41.66.4, Table 2.

(1) If the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the Transaction Close Date, times four) is less than or equal to 15 percent of the billed revenue for both Contributory Services and UNE, or equivalent offerings provided to the Customer prior to the Transaction Close Date, this Contract Offer shall remain in force without change, unless Customer includes the Acquired Spend in this Contract Offer, as provided in Section 41.66.11(B) of this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(1) If the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the Transaction Close Date, times four) is greater than 15 percent of the billed revenue for both Contributory Services and UNE, or equivalent offerings provided to the Customer prior to Transaction Close Date, the following provisions shall apply:

(a) The Customer's Calculated Annual Spend shall be the Customer's actual annualized billed revenue for Contributory Services (calculated as the Customer's billed revenue during the three months immediately prior to the Transaction Close Date, times four). The Ceiling shall be the sum of the TRC plus the Maximum Basic Credit. If the Customer's Calculated Annual Spend is less than the Ceiling, the Customer's Maximum Basic Credit shall be reduced by an amount equal to the difference between the Ceiling and the Calculated Annual Spend. The Customer's TRC shall not change. The reduced Maximum Basic Credit shall apply thereafter throughout the Term Period, unless subsequently reduced pursuant to this provision as a result of a subsequent merger or acquisition. Thereafter, the Customer shall not receive Achievement Credits for any revenue above the Calculated Annual Spend, except as described in Section 41.66.11(A)(3) of this Contract Offer.

Example: The Customer's Year 2 TRC is $90M and its Maximum Basic Credit is $18M, for a Ceiling of $108M (TRC plus Maximum Basic Credit).

On the Transaction Close Date, the Customer's Calculated Annual Spend (billed revenue for Contributory Services during the prior three months, times four) is $100M. The Customer's TRC remains $90M, and the Customer's Maximum Basic Credit is reduced to $10M. The Maximum Basic Credit remains at $10M thereafter, unless further reduced as a result of a subsequent merger or acquisition.

No Achievement Credits will apply to any revenue over $100M.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

(b) If the Customer's Calculated Annual Spend is equal to or greater than the Ceiling, neither the TRC nor the Maximum Basic Credit shall change, except as provided in Section 41.66.11(A)(3) of this Contract Offer. The Customer shall not receive Achievement Credits for any revenue above the Ceiling during the months after the Transaction Close Date, except as provided in Section 41.66.11(A)(3) of this Contract Offer. Any Achievement Credits earned after the maximum Basic Credit amount has been achieved, but prior to the Transaction Close Date, will continue to apply.

Example: The Customer's Year 2 TRC is $90M and the Maximum Basic Credit is $18M for total of $108M.

On the Transaction Close Date, the Calculated Annual Spend (billed revenue for Contributory Services during the prior three months, times four) is $112M. The Customer's TRC remains $90M and the Maximum Basic Credit remains $18M.

Achievement Credits will apply to Contributory Service revenue during any month after the month in which the Customer reaches the Maximum Basic Credit amount, but before the Transaction Close Date. Achievement Credits will not apply after the Transaction Close Date.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(3) If the Customer wishes to include Contributory Services provided to the Acquired Company in this Contract Offer, the Customer must so notify the Telephone Company within nine (9) months after the Transaction Close Date. If the Customer chooses to include the Acquired Company's Contributory Services in this Contract, the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the date upon which the Customer provides notification pursuant to this provision, times four) will be added to the Customer's then-current TRC. In addition, the revenues resulting from any conversion of UNE or equivalent offerings to qualified Contributory Subject Services, whether voluntary or required, shall also be added to the Customer's then-current TRC, according to the rates that would apply to those Contributory Services under this Contract Offer. The Maximum Basic Credit shall be determined according to Section 41.66.11(A) of this Contract Offer. Achievement Credits will apply to revenue above the Ceiling, beginning upon the date the Customer provides notification pursuant to this provision. Upon including the other company's Contributory Services in this Contract Offer, any pricing flexibility contract offer, or similar intrastate arrangement governing the included services, shall be deemed terminated and any termination liability or other charges will apply, as provided in the previously effective pricing flexibility contract offer or similar intrastate arrangement. The Customer's Maximum Basic Credit amount will not change as a result of this transfer except as described in Section 41.66.11(A)(2)(a) of this Contract Offer. The Access Service Ratio, as described in Section 41.66.4, will be applicable to all of the Customer's affiliates, regardless of their inclusion in, or exclusion from, this Contract Offer (except as described in Section 41.66.11(B) of this Contract Offer). The increase in the Customer's TRC shall apply thereafter, except to the extent the TRC may be further modified pursuant to this Contact Offer.

Example A: The Customer has a Year 2 TRC of $90M, and the Maximum Basic Credit is $18M. The Customer acquires another company with annualized Contributory Service revenues of $40M, and the Customer chooses to add the Acquired Company's Contributory Services business to this Contract Offer. The Customer's new Contract Year 2 TRC will be $130M ($90M plus $40M = $130M). The Customer's Maximum Basic Credit ($18M) will not change, except as described in Section 41.66.11(A)(2)(a) of this Contract Offer. The new TRC will apply thereafter, unless the TRC is subsequently changed pursuant to this Contract Offer.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio

If any merger or acquisition affects the Customer's Access Service Ratio, the Customer and any affiliated entities that existed as of the Transaction Close Date (as determined by the applicable ACNA's) shall comply with the Access Service Ratio requirements of this Contract Offer, as described in Section 41.66.4 of this Contract Offer, subject to the provisions of this Section 41.66.11(B).

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases:

(1) All stock, or substantially all stock or certain assets of another company, and the merger or acquisition will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 41.66.4, regardless of whether the Customer chooses to include the Acquired Company's Contributory Services in this Contract Offer, the following will apply.

(a) A Temporary Access Service Ratio will be calculated in a manner consistent with the calculation of the Access Service Ratio as described in Section 41.66.4 of this Contract Offer, for the Acquired Company, for the month immediately following the Transaction Close Date, according to the following formula.

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

Example:

$$\frac{\text{\$35M Access}}{\text{\$35M Access + \$34M Wholesale}}$$

The Temporary Access Services Ratio would be:

50.7%/49.3%

(This page filed under Transmittal No. 1)

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont’d)

41.66.11 Mergers and Acquisitions (Cont’d)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont’d)

(1) (Cont’d)

(b) The Temporary Access Service Ratio will apply to the Acquired Company’s Contributory Services until the earlier of nine (9) months after the Transaction Close Date, or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company’s Contributory Services to this Contract Offer, whichever is earlier. While the Temporary Access Service Ratio remains in effect, the Contributory Services of the Acquired Company must at all times meet or exceed the Temporary Access Service Ratio.

Thereafter, a Combined Access Service Ratio shall be calculated according to the following formula:

$$\frac{\text{Combined Access Revenue}}{\text{Combined Access Revenue} + (\text{Combined Wholesale} - \text{Acquired Wholesale Revenue})}$$

The Acquired Wholesale Revenue in the combined equation shall be measured at the earlier of nine (9) months after the Transaction Close Date or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company’s Contributory Services to this Contract Offer, whichever is earlier.

Example:

$$\frac{\$140M}{\$140M + (\$37M - \$35M)}$$

The combined Access Service Ratio of 98.6%/1.4% exceeds the 95%/5% ratio required.

(c) Once the Combined Access Service Ratio has been calculated, the combined Company (the Customer and Acquired Company, considered together) must meet or exceed a Combined Access Service Ratio of 95 percent for all services (Contributory and UNE or other equivalent offerings) purchased thereafter. Any wholesale services purchased by the Acquired Company prior to the earlier of the date nine months after the Transaction Close Date, or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company’s Contributory Services to this Contract Offer, will be deducted from the Combined Wholesale Revenue for purposes of calculating the Combined Access Service Ratio.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.11 Mergers and Acquisitions (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(1) (Cont'd)

(d) Services included in the calculation of the Temporary Access Service Ratio or the Combined Access Service Ratio shall be the same as those described in Section 41.66.4 of this Contract Offer.

(e) If the Customer and/or the Acquired Company fails to meet or exceed the Temporary Access Service Ratio or the Combined Access Service Ratio, the remedies provided in Section 41.66.4 of this Contract Offer shall apply.

(f) The provisions of this Section 41.66.11 shall apply to each merger or acquisition during the Term Period.

(2) If the Customer chooses to include the Acquired Company's Contributory Services in this Contract Offer, Contributory Services previously provided to the Acquired Company shall be included in this Contract Offer immediately upon the Telephone Company's receipt of the Customer's notice of intent to include them, and the TRC will be increased by the amount of the Acquired Company's qualified revenues. In addition, the monthly TRC will be increased to reflect the conversion of any unbundled network elements and equivalent offerings to Contributory Subject Services subject to this Contract Offer. Any converted services will be billed as Contributory Subject Services subject to this Contract Offer, and will be included in the TRC, effective upon the date on which receives the Customer's request to convert. The Customer's Maximum Basic Credit will not change as a result of the inclusion of the Acquired Company's Contributory Services in this Contract Offer, except as described in 41.66.11(A) preceding. The recalculated monthly TRC will apply for the remainder of that Contract Year. In each subsequent Contract Year, the TRC will continue to include the revenues associated with the Acquired Company's Contributory Services.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.12 Cessation of Business

If, at any time during the Term Period, the Telephone Company, or any of its affiliated telephone companies, cease to provide telecommunications services in any MSA subject to this Contract Offer, or any of the other Contract Offers as described in Section 41.66.2 (C), sells or divests its operating assets in any MSA subject to this Contract Offer, or otherwise ceases to provide any of the Contributory Services subject to this Contract Offer, the TRC will be decreased by the amount of the qualified revenue associated with the Contributory Services no longer provided by the Telephone Company or its affiliated telephone companies.

41.66.13 Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language in F.C.C. No. 73, Section 7, Section [1] and Section [1]. If the Customer terminates Contract Offer No. 66 before the expiration of the Term Period for any reason, except for that defined in 41.66.13 (B) below, 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. The Customer must provide written notification to the Telephone Company ninety (90) days prior to the desired date of termination. This notification must include the date upon which the Customer will terminate the Contract Offer.

(A) If the Customer fails to meet any of the eligibility criteria in Section 41.66.2, or fails to meet any of the terms and conditions in Contract Offer No. 66, then the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to return to compliance. If the Customer does not return to compliance within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 66, and termination liability charges will apply as stated in 41.66.13(C), and will be payable within sixty (60) days from the time the contract is deemed terminated.

[1] See footnote (1) on page 41-566.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.13 Termination Liability Charges (Cont'd)

(B) If the Telephone Company and its affiliated telephone companies providing service pursuant to the contract offers described in Section 41.66.2(C) fail, in the aggregate, to maintain a Network Availability cumulative annual target of 90 percent for all Contributory services for twelve consecutive months, the Customer will have the option to notify the Telephone Company of the Customer's intent to terminate this Contract Offer. The Customer must provide the Telephone Company with ninety (90) days notice of the Customer's intent to invoke this escape clause and return its services to standard special access services. The Telephone Company will have sixty (60) days, from the date that Customer notice is received, to rectify the service problems or the Customer will be allowed to terminate this offering without incurring any termination liability on the services moved to standard Special Access services. If the Telephone Company and its affiliated telephone companies meet the Network Availability targets within sixty (60) days, the Customer will continue to purchase services under this Contract Offer.

The following occurrences will not be included in the measurements described in the calculation of Network Availability:

(1) In the case of labor disputes, governmental orders, civil commotions, or criminal actions taken against the Telephone Company or its affiliated telephone companies, the Telephone Company and its affiliated telephone companies will be excused for the duration of these events.

(2) In the case of actions outside of the Telephone Company or its affiliated telephone companies' reasonable control (e.g., catastrophic weather conditions) that have a severe impact on the Telephone Company or its affiliated telephone companies' ability to provision and repair service, the Telephone Company and its affiliated telephone companies will be excused, for the duration of the situation, from the performance measures set forth herein. Any such temporary exemption will apply only to the dispatch area(s) directly affected by the situation, and the Telephone Company and its affiliated telephone companies will return to the levels of performance required hereunder as promptly as is reasonably practicable. To the extent additional dispatch areas are impacted by such a situation, the Telephone Company and its affiliated telephone companies will give prompt notice to the Customer of the scope and nature of such impact so the parties can determine whether additional temporary exemptions from the applicable performance measures are appropriate.

(3) Performance shall be excused for the duration of any interruptions caused by the negligence of the Customer, the Customer's end-user, or other third parties not affiliated with the Telephone Company or its affiliated telephone companies.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.13 Termination Liability Charges (Cont'd)

(B) (Cont'd)

(4) Performance shall be excused for the duration of any interruptions of a service due to the failure of equipment or systems provided by the Customer or parties other than the Telephone Company or its affiliated telephone companies.

(5) Performance shall be excused for the duration of any interruptions of a service during any period in which the Telephone Company or its affiliated telephone companies are not afforded access to the premises where the service is terminated.

(6) Performance shall be excused for the duration of any interruptions of a service when the Customer has released that service to the Telephone Company or any of its affiliated telephone companies for maintenance purposes, to make rearrangements, or for the implementation of an order for a change in the service during the time that was negotiated with the Customer prior to the release of that service.

(7) Performance shall be excused for the duration of any interruptions of a service which continue because of the failure of the Customer to authorize replacement of any element of special construction, as set forth in Section 5 and Section 13 of F.C.C. No. 73.

(8) Performance shall be excused for the duration of any interruptions that occur on facilities that the Customer elected not to release the service to the Telephone Company or its affiliated telephone companies for testing and/or repair.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.66 Contract Offering No. 66 – Access Discount Offer (Cont'd)

41.66.13 Termination Liability Charges (Cont'd)

(C) If the Customer terminates its subscription to this Contract Offer prior to the end of the Term Period, for any reason other than described in 41.66.13 (B), the Customer must pay termination liability charges as described below:

Termination of Contract during:

Contract Year 1 – Any credits received under this Contract Offer plus 25% of TRC for remaining months of Term Period

Contract Year 2 – Last 6 months of credit received under this Contract Offer plus 25% of TRC for remaining months of Term Period.

Contract Year 3 – Last 6 months of credit received under this Contract Offer plus 10% of total TRC for Contract Year 3.

Example:

The Customer's 2006 TRC is $90M. The Customer terminates the contract on April 31, 2006. The Customer has 20 months remaining on the Term Period and has received $6M in credits under this Contract Offer in the 6 months prior to termination. The customer will owe $43.4M in termination liability

$26.25M x 4 = $105M
$105M times 89.7% = $94M
$94M/12 = $7.8M x 8 = $62M x 25% = $15.5M for remainder of Contract Year 2

plus

$105M times 83.4% = $87.5M
$87.5M x 25% = $21.9M for Contract Year 3

Contract Year 2 + Contract Year 3 + Last 6 months of credits

$15.5M + $21.9M + $6M = $43.4M Termination Liability

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.67 Contract Offer No. 67 – [1] Service Offer

41.67.1 General Description

OC-48 Dedicated SONET Ring Service Offer (Contract Offer No. 67) is an access services discount pricing plan that permits Customers that meet the Eligibility Criteria in Section 41.67.3 and the terms & conditions in Section 41.67.4 to purchase Subject Services in Section 41.67.2 at discounted rates listed in Section 41.67.5. Subject Services provided under Contract Offer No. 67 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.67.3(B). Contract Offer No. 67 is available for subscription from November 24, 2005 through December 24, 2005. This Contract Offer is not renewable.

41.67.2 Subject Services

(A) Contract Offer No. 67 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section [1] – [1] Service;

(2) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12 - DS3 MegaLink Custom Service;

(3) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.7 - DS1 High Capacity Service; and

(4) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1] – [1] Service.

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.67.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 67 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.67.2(A);
(B) Services must be located in the Houston, Texas MSA;

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 67 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.3 Eligibility Criteria (Cont'd)

(C) Subject Services ordered pursuant to this Contract Offer must be new; and
(D) All traffic must originate or terminate at a Mobile Switching Center(MSC).

41.67.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years commencing on the date billing begins. Billing shall begin no later than 30 days after the Telephone Company's completion of the [1] access service order. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in Southwestern Bell Telephone Company Tariff F.C.C. No. 73 for [1], DS3 and DS1 Service. 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 39.

Rate stability under Contract Offer No. 67 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 41.67.5 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 & 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. Subject Services are also subject to general terms and conditions of F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

Purchase of the services listed above under Contract Offer No. 67 are subject to the specific terms and conditions of Section 41.67.4. Purchases of the services listed above under Contract Offer No. 67 are also subject to general terms and conditions of F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

[1] See footnote (1) on page 41-594.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.4 Terms and Conditions (Cont'd)

(B) The Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(C) 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 documented actual costs incurred by the Telephone Company up to the date of cancellation.

(D) If the Customer discontinues service under Contract Offer No. 67 during the Term Period, termination liability charges will apply in accordance with Section 41.67.10.

(E) Any additional service features or functions not included in Section 41.67.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to Section 39 - Metropolitan Statistical Area Access Services.

(F) The Customer must purchase, at minimum, the following services, all of which must be located in the Houston, Texas MSA:

(i) Two (2) [1] to be ordered within thirty (30) days of contract subscription; and

(ii) Five Hundred (500) subtending DS1 services, within twelve (12) months of contract subscription

(G) All [1], DS3 and DS1 elements listed in Section 41.67.5 must subtend [1] Services ordered pursuant to this Contract Offer.

(H) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount Plan.

41.67.5 Rates and Charges

(A) [1] Rates and Charges:
The Customer shall receive a 25 percent discount from the 60 month term rate elements provided in Section 39.5.2.15 for [1] Service, as outlined in Table A. The rates in Table A reflect a 25 percent discount. Prevailing tariff Non-Recurring Charges in Section [1] for [1] service shall apply.

[1] See footnote (1) on page 41-594.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – (1) Service Offer (Cont'd)

41.67.5 Rates and Charges (Cont'd)

(A) (Cont'd)

Table A

(1) **Rate Elements**	**USOC**	**Rate**
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)

(1) See footnote (1) on page 41-594.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.5 Rates and Charges (Cont'd)

(A) (Cont'd)

If new [1] are added after the installation of the initial [1] pursuant to 41.67.5(A), the Term Plan applicable to any new [1] Service will be co-terminus with the Term Period provided in section 41.67.4(A) of this Contract Offer, except as otherwise provided below:

If new [1] service is ordered during the last twelve (12) months of the Term Period, the Customer will be billed, and must pay, the MRCs listed in Table A for a minimum period of twelve (12) months to be billed at a lump sum at the end of the Term Period. If the application of this Section 44.67.5 would result in a term of less than twelve (12) months applicable to any [1] Service, the Customer shall be billed at the above MRCs as a lump sum to be billed at the end of the Term Period. The lump sum would be calculated by multiplying the number of months times the monthly recurring rates as outlined in this Section.

(B) Subtending DS3 Service Rates and Charges: Customer will receive a 25 percent discount from the 60 month term rates provided in Section 39.5.2.12 for Megalink Custom DS3 Service, as outlined in Table B, below. Table B rates reflect a 25 percent discount.

Table B

DS3 Rate Element	**USOC**	**Rate**
DS3 CHANNEL TERMINATION - Per Point of Termination	TUZPX	$731.25
INTEROFFICE CHANNEL MILEAGE Fixed	1OXHX	$337.50
INTEROFFICE CHANNEL MILEAGE Per mile	1J5HS	$33.75
CENTRAL OFFICE MULTIPLEXING - DS3 TO DS1 - Per Arrangement	MKM	$356.25

When a DS3 is added to the [1], the DS3 shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for DS3 service shall apply.

[1] See footnote (1) on page 41-594.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.5 Rates and Charges (Cont'd)

(B) (Cont'd)

Following the end of the Term Period of this Contract Offer, any DS3 service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan. Otherwise applicable Non-Recurring Charges for DS3 service shall apply as referenced in Section 39.

(C) Subtending DS1 Service Rates and Charges:
Customer will receive a 27 percent discount from the sixty (60) month term rates provided in Section 39.5.2.7 for High Capacity DS1 Service, as outlined in Table C, below. Table C rates reflect a 27 percent discount.

Table C

DS1 RATE ELEMENT	USOC	Rate
DS1 CHANNEL TERMINATION - Per Point of Termination	TMECS	$67.16
INTEROFFICE CHANNEL MILEAGE Fixed	1L5XX	$24.82
INTEROFFICE CHANNEL MILEAGE Per mile	1L5XX	$7.30
CENTRAL OFFICE MULTIPLEXING - DS1 TO DS0 - Per Arrangement	MQ1	$116.80

When a DS1 is added to the [1], the DS1 shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for DS1 service shall apply.

(D) Subtending [1] Service Rates and Charges:
Customer will receive a 25 percent discount on the sixty (60) month term rate elements set forth in Section 39.5.2.17 [1] Service for any OCN point-to-point service that subtends [1] Services ordered pursuant to this Contract Offer, as outlined in Table D. Table D rates reflect a 25 percent discount.

[1] See footnote (1) on page 41-594.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.5 Rates and Charges (Cont'd)

(D) (Cont'd)

Table D

[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-594.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.5 Rates and Charges (Cont'd)

(D) (Cont'd)

When an [1] is added to the [1], the [1] shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for [1] service shall apply.

Following the end of the Term Period of this Contract Offer, any [1] service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan. Otherwise applicable Non-Recurring Charges for [1] service shall apply as referenced in Section [1].

41.67.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (B) 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 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:

(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.

[1] See footnote (1) on page 41-594.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – OC-48 [1] Service Offer (Cont'd)

41.67.7 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in 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.

41.67.8 Upgrade Option

(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 offerings 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 Customer's contract offer or other contract or tariff governing the new service offerings must include a term period and billing equal to, or greater than, those 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 41.67.3, and terms and conditions outlined in Section 41.67.4;

(2) The Customer must notify the Telephone Company 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.

[1] See footnote (1) on page 41-594.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.9 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; and

(C) DS3 Subject Services must have been in service for a minimum of two (2) years to be eligible for portability.

41.67.10 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of F.C.C. No. 73, Sections 7, 20, [1] and [1]. If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.67.3 or the terms and conditions in Section 41.67.4.

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:

50% of all Monthly Recurring Charges for the balance of the Customer's five (5) year Term Period for all services under contract ([1], [1], DS3 and DS1 services).

Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

[1] See footnote (1) on page 41-594.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.67 Contract Offer No. 67 – [1] Service Offer (Cont'd)

41.67.10 Termination Liability (Cont'd)

The termination liability charge shall be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in billing) multiplied by (Termination percentage of 50%)

Example: A Customer with a $75,000 Monthly Recurring Charge terminates service after three(3) years, and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

$75,000 X 24 months X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-594.

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41. Pricing Flexibility Contract Offerings

41.68 Contract Offer No. 68 – [1] Service Offer

41.68.1 General Description

[1] Offer (Contract Offer No. 68) is an access services discount pricing plan that permits Customers that meet the Eligibility Criteria in Section 41.68.3 and the terms & conditions in Section 41.68.4 to purchase Subject Services in Section 41.68.2 at discounted rates listed in Section 41.68.5. Subject Services under Contract Offer No. 68 are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) described in Section 41.68.3(B). Contract Offer No. 68 is available for subscription from November 24, 2005 through December 24, 2005. This Contract Offer is not renewable.

41.68.2 Subject Services

(A) Contract Offer No. 68 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company Tariff F.C.C. No 73, Section [1] – [1] Service;

(2) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12 – DS3 MegaLink Custom Service;

(3) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.7 – DS1 High Capacity Service; and

(4) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1] – [1] Service.

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.68.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 68 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.68.2(A);
(B) Services must be located in the El Paso, Texas; Austin, Texas; and San Antonio, Texas MSAs;
(C) Subject Services ordered pursuant to this contract must be new; and

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 68 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.3 Eligibility Criteria (Cont'd)

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

41.68.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years commencing on the date billing begins. Billing shall begin no later than 30 days after the Telephone Company's completion of the [1] access service order. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in Southwestern Bell Telephone Company Tariff F.C.C. No. 73 for [1], DS3 and DS1 Service.

If, at the expiration of the Customer's Contract Term Period, the Customer does not choose to disconnect or select a payment option from the sections above, the Telephone Company will convert the Customer to the prevailing monthly extension rates in Section 39.

Rate stability under Contract Offer No. 68 shall apply only to the rates specific to this Contract Offer as outlined in the Rate Table in Section 41.68.5 of this Contract Offer. Purchase of the services listed above under Contract Offer No. 68 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 & 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.

Purchase of the services listed above under Contract Offer No. 68 are subject to the specific terms and conditions of Section 41.68.4. Purchases of the services listed above under Contract Offer No. 68 are also subject to general terms and conditions of F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(B) In order to subscribe to Contract Offer No. 68, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

[1] See footnote (1) on page 41-605.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.4 Terms and Conditions (Cont'd)

(C) 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 documented actual costs incurred by the Telephone Company up to the date of cancellation.

(D) If the Customer discontinues service under Contract Offer No. 68 during the Term Period, termination liability charges will apply in accordance with Section 41.68.10.

(E) If the Customer requests additional service features and functions not included in Section 41.68.5 of this Contract Offer, the Customer will pay the tariff rates for those additions as contained in Section 39 - Metropolitan Statistical Area Access Services.

(F) The Customer must purchase one [1] in each of the following MSAs:
Austin, Texas
San Antonio, Texas

(G) The Customer must purchase at least 400 subtending DS1 services riding the [1] services ordered pursuant to this Contract Offer within twelve (12) months of contract subscription.

(H) The Customer must purchase at least seven (7) DS3 circuits in the El Paso, Texas MSA within six (6) months of contract subscription.

(I) With the exception of the DS3 Subject Services purchased in the El Paso, TX MSA, all DS3 and DS1 elements listed in section 41.68.5 must subtend [1] services ordered pursuant to this Contract Offer.

(J) The Customer will not be able to combine this Contract Offer with any other promotional, contract offering, or discount plan in conjunction with this Contract Offer.

41.68.5 Rates and Charges

(A) [1] Service Rates and Charges:
The Customer shall receive a 25 percent discount from the 60 month term rate elements provided in Section 39.5.2.15 for [1] Service, as outlined in Table A. The rates in Table A reflect a 25 percent discount. Prevailing tariff Non-Recurring Charges in Section 39 for [1] service shall apply.

[1] See footnote (1) on page 41-605.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.5 Rates and Charges (Cont'd)

(A) (Cont'd)

Table A

[1] **Rate Elements**	**USOC**	**Rate**
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]		
[1]	[1]	[1]
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]		
[1]	[1]	[1]

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.5 Rates and Charges (Cont'd)

(A) (Cont'd)

If new [1] are added after the installation of the initial [1] pursuant to 41.68.5(A), the Term Plan applicable to any new [1] Service will be co-terminus with the Term Period provided in section 41.68.4(A) of this Contract Offer, except as otherwise provided below:

If new [1] service is ordered during the last twelve (12) months of the Term Period, the Customer will be billed, and must pay, the MRCs listed in Table A for a minimum period of twelve (12) months to be billed at a lump sum at the end of the Term Period. If the application of this Section 44.68.5 would result in a term of less than twelve (12) months applicable to any [1] Service, the Customer shall be billed at the above MRCs as a lump sum to be billed at the end of the Term Period. The lump sum would be calculated by multiplying the number of months times the monthly recurring rates as outlined in this Section.

(B) Subtending DS3 Service Rates and Charges: Customer will receive a 25 percent discount from the 60 month term rates provided in Section 39.5.2.12 for Megalink Custom DS3 Service, as outlined in Table B, below. Table B rates reflect a 25 percent discount.

Table B

DS3 Rate Element	**USOC**	**Rate**
DS3 CHANNEL TERMINATION - Per Point of Termination	TUZPX	$731.25
INTEROFFICE CHANNEL MILEAGE Fixed	1OXHX	$337.50
INTEROFFICE CHANNEL MILEAGE Per mile	1J5HS	$33.75
CENTRAL OFFICE MULTIPLEXING - DS3 TO DS1 - Per Arrangement	MKM	$356.25

When a DS3 is added to the [1], the DS3 shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for DS3 service shall apply.

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.5 Rates and Charges (Cont'd)

(B) (Cont'd)

Following the end of the Term Period of this Contract Offer, any DS3 service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan. Otherwise applicable Non-Recurring Charges for DS3 service shall apply as referenced in Section 39.

(C) Subtending DS1 Service Rates and Charges:
Customer will receive a 27 percent discount from the sixty (60) month term rates provided in Section 39.5.2.7 for High Capacity DS1 Service, as outlined in Table C. Table C rates reflect a 27 percent discount.

Table C

DS1 RATE ELEMENT	**USOC**	**Rate**
DS1 CHANNEL TERMINATION - Per Point of Termination	TMECS	$67.16
INTEROFFICE CHANNEL MILEAGE Fixed	1L5XX	$24.82
INTEROFFICE CHANNEL MILEAGE Per mile	1L5XX	$7.30
CENTRAL OFFICE MULTIPLEXING - DS1 TO DS0 - Per Arrangement	MQ1	$116.80

When a DS1 is added to the [1], the DS1 shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for DS1 service shall apply.

(D) Subtending [1] Service Rates and Charges:
Customer will receive a 25 percent discount on the sixty (60) month term rate elements set forth in Section 39.5.2.17 [1] Service for any [1] service that subtends [1] Services ordered pursuant to this Contract Offer, as outlined in Table D. Table D rates reflect a 25 percent discount.

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.5 Rates and Charges (Cont'd)

(D) (Cont'd)

Table D

[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] **Rate Element**	**USOC**	**Rate**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.5 Rates and Charges (Cont'd)

(D) (Cont'd)

When an [1] is added to the [1], the [1] shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges for [1] service shall apply.

Following the end of the Term Period of this Contract Offer, any [1] service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan. Otherwise applicable Non-Recurring Charges for [1] service shall apply as referenced in Section [1].

41.68.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (B) 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 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:

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.6 Assignment and Transfer (Cont'd)

(B) (Cont'd)

(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.

41.68.7 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in 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.

41.68.8 Upgrade Option

(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 offerings 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 Customer's Contract Offer or other contract or tariff governing the new service offerings must include a term period and billing equal to, or greater than, those of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.8 Upgrade Option (Cont'd)

(A) (Cont'd)

(1) The Customer must meet all eligibility requirements outlined in Section 41.68.3, and terms and conditions outlined in Section 41.68.4

(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 associated with the upgrade as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

41.68.9 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; and

(C) DS3 Subject Services must have been in service for a minimum of two (2) years to be eligible for portability.

[1] See footnote (1) on page 41-605.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.68 Contract Offer No. 68 – [1] Service Offer (Cont'd)

41.68.10 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of F.C.C. No. 73, Sections 7, 20, [1] and [1]. If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.68.3 or the terms and conditions in Section 41.68.4.

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:

50% of all Monthly Recurring Charges for the balance of the Customer's five (5) year Term Period for all services under contract ([1], DS3 and DS1 services).

Upon termination, all Subject Services then remaining in service will be converted to the prevailing tariff rates applicable to the service term for each Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in billing) multiplied by (Termination percentage of 50%)

Example: Customer with a $75,000 Monthly Recurring Charge terminates service after three(3) years, and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

$75,000 X 24 months X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-605.

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41. [1]

1) Material previously contained in this section has been deleted. OCN PTP 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. 69 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.

41. [1]

[1] See footnote (1) on page 41-616.

41. [1]

[1] See footnote (1) on page 41-616.

41. [1]

[1] See footnote (1) on page 41-616.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term

41.70.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.70.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.70.2 Contract Terms

(A) Contract Offering No. 70 is available during the purchase period, which begins December 9, 2005 and ends June 9, 2006.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 70.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4 for Contract Offering No. 70, is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.70.2 Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 70 is one (1) year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(B) At the conclusion of the initial contract term, Contract Offering No. 70 will be automatically renewed for successive one month renewal terms. The Customer may terminate Contract Offering No. 70 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 70 upon thirty (30) days written notice any time following the completion of the initial contract term.

(C) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(D) No other discount pricing plans apply.

(E) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 70.

(F) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 70 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.70.2(L). The termination charge for Contract Offering No. 70 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(G) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 70 terminated, and the termination charges described in 41.70.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the nonrecurring charge to install service as reflected in 41.70.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.70.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 70 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.70.2(J) when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 70 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 70, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 70.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 70 terminated. If Contract Offering No. 70 is terminated during the initial contract term, the termination charges described in 41.70.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.70.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.70.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.70.3 Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.70 Contract Offering No. 70 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.70.3 Rate Regulations (Cont’d)

(A) Types of Rates and Charges (Cont’d)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term

41.71.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.71.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.71.2 Contract Terms

(A) Contract Offering No. 71 is available during the purchase period, which begins December 9, 2005 and ends June 9, 2006.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 71.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in 5.3.4 for Contract Offering No. 71, is the initial contract term.

(4) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.71.2Contract Terms (Cont'd)

(A)The initial contract term for Contract Offering No. 71 is two (2) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 71 will be automatically renewed for successive one month renewal terms. The Customer may terminate Contract Offering No. 71 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 71 upon thirty (30) days written notice any time following the completion of the initial contract term.

(G)The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H)No other discount pricing plans apply.

(I)AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 71.

(J)If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 71 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.71.2(L). The termination charge for Contract Offering No. 71 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 71 terminated, and termination charges described in 41.71.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the nonrecurring charge to install service as reflected in 41.71.3(B).

ACCESS SERVICE

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.71.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 71 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.71.2(J) when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 71 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 71, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 71.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 71 terminated. If Contract Offering No. 71 is terminated during the initial contract term, the termination charges described in 41.71.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.71.2 Contract Terms (Cont’d)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.71.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.71.3 Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.71 Contract Offering No. 71 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.71.3 Rate Regulations (Cont’d)

(A) Types of Rate and Charges (Cont’d)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term

41.72.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the following pricing flexibility Metropolitan Statistical Areas (MSAs):

Fort Smith, Little Rock, AR; Kansas City, Topeka, Joplin, KS; Kansas City, Springfield, St. Joseph, St. Louis, MO; Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marco, Corpus Christi, Dallas-Ft. Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.2 Contract Terms

(A) Contract Offering No. 72 is available during the purchase period, which begins December 9, 2005 and ends June 9, 2006.

(B) Sections 2, 4, 5, 13 and 42 apply except as set forth herein. Any changes made to these sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 72.

(1) The Access Order Charge described in 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in 5.3.2(A), the Service Date Change Charge described in 5.3.2(B) and the Expedited Order Charge described in 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in 5.3.4 for Contract Offering No. 72, is the initial contract term.

(5) Minimum Period Charges described in 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.2 Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in 5.2.1(C).

(B) The initial contract term for Contract Offering No. 72 is three (3) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Contract Offering No. 72 will be automatically renewed for successive one month renewal terms. The Customer may terminate Contract Offering No. 72 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 72 upon thirty (30) days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 72.

(G) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 72 prior to the expiration of the initial contract term, a termination charge applies, except as described in 41.72.2(L). The termination charge for Contract Offering No. 72 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.2Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 72 terminated, and the termination charges described in 41.72.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The Customer may elect to discontinue Contract Offering No. 72 at any time prior to the expiration of the initial contract term without incurring the termination charges described in 41.72.2(J) when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 72 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 72, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 72.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.2 Contract Terms (Cont'd)

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 72 terminated. If Contract Offering No. 72 is terminated during the initial contract term, the termination charges described in 41.72.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in 41.72.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.72 Contract Offering No. 72 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.72.3 Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply to install each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 73 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.

ACCESS SERVICES

41. [1]

[1] See footnote (1) on page 41-641.

ACCESS SERVICES

41. [1]

[1] See footnote (1) on page 41-641.

ACCESS SERVICES

41. [1]

[1] See footnote (1) on page 41-641.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 74 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-645.

41. [1]

[1] See footnote (1) on page 41-645.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-645.

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[1] See footnote (1) on page 41-645.

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41. [1]

[1] See footnote (1) on page 41-645.

41. [1]

[1] See footnote (1) on page 41-645.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-645.

41. [1]

[1] See footnote (1) on page 41-645.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.75 Contract Offer No. 75 – Special Access Service Offer

41.75.1 General Description

Special Access Service Offer – Contract Offer No. 75 – is an access discount plan for DS1, DS3, and [1] special access services. Contract Offer No. 75 permits Customers to receive discounts for Subject Services as described in Section 41.75.2 in the Metropolitan Statistical Areas (hereafter referred to as MSAs) listed in Section 41.75.3(A)(2). Contract Offer No. 75 is available to Customers with not more than $2,900,000 in cumulative annual revenue generated from special access services purchased from the Telephone Company, as described in Section 41.75.3(A)(3). The Customer must meet the eligibility criteria set forth in Section 41.75.3 and must otherwise comply with the terms and conditions of this Contract Offer.

Contract Offer No. 75 requires that the Customer maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period. In the event the Customer does not meet the MARC as of the anniversary date of each term year, the Customer must remit a shortfall payment as set forth in Section 41.75.5. Notwithstanding the obligation to pay such shortfall, if the Customer does not comply with Section 41.75.5, termination liability charges, in accordance with Section 41.75.10, shall apply.

Contract Offer No. 75 is available for subscription from March 1, 2006 through April 1, 2006. This offer is not renewable.

41.75.2 Subject Services Available Under Contract Offer No. 75

Contract Offer No. 75 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity DS1 Special Access Services – Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 7.3.10 and Section 39;
(2) MegaLink Custom DS3 Service - SWBT Tariff F.C.C. No. 73, Section 20 and Section 39; and
(3) [1] Services – SWBT Tariff F.C.C. No. 73, Sections [1] and [1].

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, terms and conditions of this Contract Offer shall prevail.

[1] Material previously contained in this section has been deleted. OCN PTP 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. 75 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.3 Eligibility Criteria

(A) The Customer must meet the following eligibility criteria to subscribe to Contract Offer No. 75:

(1) Subject Services must be pricing-flexibility-qualified access services, as described in Section 41.75.2;

(2) Subject Services must be located in the following pricing flexibility qualified MSAs: Austin, Texas; Dallas/Ft. Worth, Texas; Houston, Texas and San Antonio, Texas; and

(3) The Customer must have not more than $2,900,000 in cumulative annual revenue generated from special access services purchased from the Telephone Company out of SWBT Tariff F.C.C. No. 73, measured over the 12 months immediately proceeding the effective date of this Contract Offer.

41.75.4 Terms and Conditions

(A) Term Period

The term of this Contact Offer (Term Period) shall be five (5) years, commencing on the date the Customer submits its Letter of Subscription (LOS) to the Telephone Company. This offer is not renewable.

New Subject Services purchased during the Term Period must be purchased pursuant to a five (5) year term payment plan (service term) to be eligible for the rates provided in this Contract Offer. The rates provided in this Contract Offer shall apply to the Subject Services only during the Term Period. At the expiration of the Term Period, the Customer may either (1) choose to disconnect the Subject Service with no additional charges or early termination penalties owed, or (2) choose to continue service pursuant to one of the payment options provided in SWBT Tariff F.C.C. No. 73, Sections 7.3.10, 20, 39 and [1], for those Subject Services. In either event, Customer shall provide no less than sixty (60) days written notice of its election for such Subject Service.

[1] See footnote (1) on page 41-654.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.4 Terms and Conditions (Cont'd)

(A) Term Period (Cont'd)

The Customer's written notice must specifically identify all Subject Services to be converted and the rates to which each Subject Service should be converted. Notwithstanding anything else to the contrary in this Contract Offer, if, at the expiration of the Term Period, the Customer has not timely elected to disconnect the relevant service or has not timely selected one of the payment options described in the SWBT Tariff F.C.C. No. 73, Sections 7.3.10, 20, 39 and [1], the Subject Services shall remain in service and shall be converted to month-to-month rates, or to the shortest term payment plan applicable to the Subject Services.

(B) Rate stability under Contract Offer No. 75 applies only to the rates specific to this Contract Offer, as provided in Section 41.75.6. Subject Services listed in 41.75.2 are also subject to certain rates, charges and general terms and conditions in other sections of SWBT F.C.C. No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Services, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period. Such tariff modifications will not change the rates, terms or conditions provided under this Contract Offer.

(C) Contract Offer No. 75 is available only from March 1, 2006, through April 1, 2006.

(D) To subscribe to Contract Offer No. 75, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(E) Subject Services to which the Customer already subscribes, as of the commencement of the Term Period, shall not be eligible for the rates provided in this Contract Offer; however, the annual recurring revenue generated from the existing Subject Services shall count toward the Customer's MARC.

(F) Subject Services purchased on or after the commencement of the Term Period shall be subject to the rates, terms and conditions of this Contract Offer, upon completion of the Customer's access service request.

[1] See footnote (1) on page 41-654.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.4 Terms and Conditions (Cont'd)

(G) The Customer must subscribe to the Subject Services available under this Contract Offer in accordance with the regulations set forth in SWBT Tariff F.C.C. 73 Section 5 – Ordering for Access Service.

(H) If the Customer terminates this Contract Offer and/or any Subject Service during the Term Period, termination liability charges shall apply in accordance with Section 41.75.10, except to the extent that termination liability charges do not apply pursuant to the portability provisions of this Contract Offer, as provided in Section 41.75.7.

(I) If the Customer requests additional services, features or functions not included in Section 41.75.6, the Customer must pay the applicable tariff rates for those services, features or functions.

(J) The Customer cannot simultaneously purchase Subject Services pursuant to this Contract Offer and any other contract offer.

(K) Subject Services provided pursuant to this Contract Offer are not eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38.

(L) The Customer must be current on all undisputed billing for existing Subject Services within thirty (30) days of subscribing to this Contract Offer, and must remain current on all undisputed billing for Subject Services throughout the Term Period. Customer must remit any billing disputes via the Telephone Company's electronic process.

(M) The Customer shall convert any existing DS1 and DS3 Unbundled Network Element Loops (UNE-L), DS1 and DS3 Enhanced Extended Links (EELs), and DS1 and DS3 Unbundled Dedicated Transport (UDT) (collectively referred to as "Identified UNEs") to special access Subject Services, in the MSAs listed in Section 41.75.3(A)(2), if the Telephone Company has designated such Identified UNEs as non-impaired.

(N) Subject to the procedures in Sections (O), (P) and (Q) herein, during the Term Period, the Customer shall not purchase Identified UNEs that have been designated as non-impaired, as set forth in Subsection (M) above, in the MSAs listed in Section 41.75.3(A)(2), but instead shall purchase special access Subject Services at the discounted rates pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.4 Terms and Conditions (Cont'd)

(O) Within five (5) business days after the Customer's subscription to this Contract Offer, the Customer shall begin submission of the access service requests (ASRs) necessary to convert existing Identified UNEs, that have been designated as non-impaired by the Telephone Company, to special access Subject Services.

(P) Billing at the discounted rates set forth in Section 41.75.6 for existing Identified UNEs converted to special access Subject Services pursuant to this Contract Offer shall commence upon receipt of the first ASR, as described in Section (O) herein. Billing at the discounted rates set forth in 41.75.6 for Identified UNEs that, in the future, are designated as non-impaired and converted to special access during the Term Period shall commence upon receipt of the Customer's access service request.

(Q) Subject to the provisions herein, during the Term Period, the Customer shall not self-certify that it is entitled to obtain Identified UNEs that have been designated by the Telephone Company as non-impaired, as set forth in Section (M), herein. Instead, Customer, shall purchase special access Subject Services to replace such Identified UNEs at the discounted rates provided in this Contract Offer. If any Identified UNE that has been designated as non-impaired is subsequently designated as impaired, and the Customer converts Subject Services to UNEs as a result of the change, the Customer must submit access service requests to the Telephone Company for such conversion.

41.75.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment of the MARC for Year 1

The Customer must establish and maintain a MARC as provided in this Contract Offer. The MARC for the first year of the Term Period (Year 1) shall be established as of the date the Customer submits its LOS. The Customer's Year 1 MARC shall be the greater of:

(i) $3,850,000, or

(ii) The sum of the prior three (3) months of recurring revenue generated from existing Special Access services purchased by the Customer pursuant to SWBT Tariff F.C.C. No. 73, multiplied by four (4).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculation of the MARC for Years 2 through 5

The Customer must maintain a MARC for each year of the five (5) year Term Period. For purposes of calculating the MARC for Years 2 through 5, recurring revenue generated from all Subject Services provided under this Contract Offer in the eligible pricing flexibility MSAs, as defined in Section 41.75.3(A)(2), plus recurring revenue generated from Special Access services purchased from the Telephone Company in those MSAs pursuant to SWBT Tariff F.C.C. No. 73 (together defined as MARC Revenue), shall be counted toward the Customer's MARC, except as described in Section (E), herein.

The MARC for Years 2 through 5 shall be reviewed and re-established annually on the anniversary date of each term year. The MARC for Years 2 through 5 shall be the product of the previous three (3) months MARC Revenue, times four (4). If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will continue to apply during the next year.

Example for Year 2 MARC Establishment:

The Customer's Year 1 MARC is $3.85M. At the end of Year 1, the prior three months' MARC Revenue (i.e., the recurring revenue during the last three (3) months of Year 1) is $1M. The Customer's Year 2 MARC would be $4M ($1M X 4). The Year 2 MARC would be the $4M, rather than the Year 1 MARC of $3.85M.

(C) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC for any year of the Term Period, the Customer must pay the difference between the MARC for that term year and the actual recurring revenue for the prior twelve (12) month period for the Subject Services provided under this Contract Offer, and Special Access Services purchased from the Telephone Company provided under SWBT Tariff F.C.C. No. 73. The Customer will be notified by the Telephone Company and will be required to remit a shortfall payment, via the True-Up process described in Section (D) herein, to reach the MARC.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Annual True-Up

The Telephone Company shall conduct an Annual True-Up upon the anniversary date of each term year based on the Customer's MARC. In the event the Customer does not meet the MARC as of the anniversary date of each term year, the Customer will be notified by the Telephone Company and will be required to pay a shortfall payment as described below.

The True-Up calculation will be performed as follows:

MARC - Actual annual recurring revenues generated from special access and Subject Services as described in Section 41.75.5 (B) = Annual True-Up Amount

Example: The Customer's Year 1 MARC is $3,850,000. At the end of Year 1, the Customer's actual annual recurring revenue is $3,235,000. The True-Up amount due the Telephone Company would be $615,000

$3,850,000 – $3,235,000 = $615,000

If the Telephone Company does not receive the shortfall payment within thirty (30) days after notifying the Customer, the Customer shall be deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 41.75.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Adjustments to the MARC

The Customer may exercise either of two one-time MARC adjustment options, subject to the provisions set forth below. The MARC adjustment options cannot be combined.

(1) Option 1 - MARC Reduction - The Customer may adjust the MARC downward by up to five (5) percent. This adjustment can only be made one time during the Term Period, and only after the completion of the first twenty-four (24) months of the Term Period. To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the date upon which the Customer requests that the reduced MARC be effective. This MARC adjustment will apply prospectively only. If the Customer exercises this option, the Customer will forfeit any above the MARC discounts, as provided in Section (F) herein, for which the Customer would otherwise be eligible, for the year in which the adjustment becomes effective. The Customer will be eligible for above the MARC discounts in subsequent years only if, and to the extent that, the Customer exceeds the MARC that was in effect immediately prior to the MARC adjustment.

Example:

The Customer decides to reduce its MARC by five (5) percent for Year 3. The MARC for Year 2 is $4M. Following the MARC adjustment, the new Year 3 MARC would be $3.8M. If the Customer's revenue in Year 3 is equal to or greater than $4M, then the Customer will again become eligible to receive above the MARC discounts for revenues above $4M, beginning in Year 4.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Adjustments to the MARC (Cont'd)

(2) Option 2 - MARC Carryover - The Customer may carry over a MARC shortfall of no more than five (5) percent to the following year. No True-Up payment shall be required for that year, but the shortfall carried over shall be added to the MARC for the succeeding year. This adjustment can only be made one time during the Term Period, and only after the completion of the first twenty-four (24) months of the Term Period. To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the date upon which the Customer requests that the carried over MARC shortfall be effective. This MARC adjustment will apply prospectively only. If the Customer exercises this option, the Customer will forfeit any above the MARC discounts, as provided in Section (F) herein, for which the Customer would otherwise be eligible for the year in which the adjustment becomes effective. The Customer will be eligible for above the MARC discounts in subsequent years only if, and to the extent that, the Customer exceeds the MARC that was in effect immediately prior to the MARC adjustment.

Example:

The Customer has a MARC of $4M for Year 3. The actual annual recurring revenue at the end of Year 3 is $3.8M. The Customer elects to carry over the Year 3 MARC shortfall amount of $200K ($4M minus $3.8M) into Year 4. The Year 4 MARC is now $4.2M ($4M MARC from Year 3, plus a $200K carryover from Year 3). If, at the end of Year 4, the Customer has achieved total revenue of $4.2M or greater, no shortfall payment is due. If, at the end of Year 4, the Customer has not achieved $4.2M in revenue, the Customer must make a shortfall payment sufficient to achieve the $4.2M MARC or be subject to termination liabilities as provided below.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(F) Above the MARC Discounts

The Customer shall receive, in the form of annual credits issued by the Telephone Company, a discount for recurring revenue generated from Subject Services purchased from the Telephone Company, within the MSAs listed in Section 41.75.3 (A) (2), to the extent such revenue exceeds the MARC. The following above the MARC discounts will apply by contract term year:

Table A

Contract Year	Discount
Year One	2%
Year Two	4%
Years Three through Five	6%

Example:

For Year 1, the Customer's Subject Services annual recurring revenue, in the MSAs listed in Section 41.75.3 (A) (2), is equal to $3,967,000. The Customer would receive a credit in the amount of $2,340.00 based on the following formula:

(Annual Recurring Revenue at the end of Year 1 for Subject Services – Year 1 MARC) X 2% or ($3,967,000 - $3,850,000) X .02=$2,340.00

41.75.6 Rates and Charges

(A) Monthly Recurring Charges

The Telephone Company will provide the DS1 and DS3 Subject Services listed in Table A at the following Monthly Recurring Charges (MRCs). Any services, features, functions or rate elements not listed in Table B will be provided at the prevailing tariff rates in SWBT Tariff F.C.C. No. 73, Sections 7 and 39, except as otherwise provided in this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.6 Rates and Charges (Cont'd)

(A) Monthly Recurring Charges (Cont'd)

Table B

High Capacity DS1 Service 5 year term rates	**Monthly Rate Per Circuit**
(1) One Channel Termination – 0 miles	$88.00
(1) One Channel Termination with 1-10 miles	$165.00
(1) One Channel Terminations with 11-20 miles	$205.00
(1) One Channel Termination with 21-30 miles	$250.00

MegaLink Custom DS3 Service 5 year term rates	**Monthly Rate Per Element**
(1) One Channel Termination – TUZPX – 0 miles	$800.00
(1) One Channel Termination – TUZPX – 1-10 miles	$1200.00
(1) One Channel Termination – TUZPX – 11-20 miles	$1500.00
(1) One Channel Termination – TUZPX – 21-30 miles	$1800.00
Multiplexing – MKM DS3 to DS1 – 0 miles	$475.00
(1) One Mux and 1-10 miles	$900.00
(1) One Mux and 11-20 miles	$1200.00

The Telephone Company will provide the [1] Subject Services listed in Table C at twenty-seven (27) percent discount off the prevailing rates set forth in SWBT Tariff F.C.C. No. 73, Section [1], according to the service term selected by the Customer. Any services, features, functions or rate elements not listed in Table B will be provided at the prevailing tariff rates set forth in SWBT Tariff F.C.C. No. 73 Sections 39 and [1], except as otherwise provided in this Contract Offer.

Table C

(1)	
(1)	**USOC**
(1)	(1)
(1)	(1)
(1)	(1)
(1)	(1)
(1)	(1)
(1)	(1)

[1] See footnote (1) on page 41-654.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.6 Rates and Charges (Cont'd)

(B) Non-Recurring Charges

(1) The Telephone Company shall waive the following Non-Recurring Charges (NRCs) associated with the conversion of qualified existing DS1 and DS3 Identified UNEs to special access Subject Services:

(a) Administrative Charge, per order;
(b) Design and Central Office Connection Charge, per circuit; and
(c) Customer Connection Charge, per termination.

(2) Special Construction Charges may apply to new installations of DS1, DS3 and [1], subscribed to under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 5.2.6.

(3) All other NRCs shall apply to DS1 and DS3 Subject Services based on a five (5) year service term, except as expressly provided in Section 41.75.6(B)(1), above. All NRCs shall apply to OCN PTP Subject Services based on a five (5) year service term.

41.75.7 DS1, DS3, and [1] Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves and/or disconnections of existing 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) A DS1 circuit must have been in service for a minimum of six (6) months before that circuit will be eligible for portability and/or disconnection.

(C) A DS3 circuit must have been in service for a minimum of one (1) year before that circuit will be eligible for portability and/or disconnection.

[1] See footnote (1) on page 41-654.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.7 DS1, DS3, and [1] Portability (Cont'd)

(D) An [1], [1], [1] or [1] circuit must have been in service for a minimum of three (3) years before that circuit will be eligible for portability and/or disconnection.

41.75.8 Mergers and Acquisitions

The terms and conditions 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 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.

41.75.9 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 75 pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.2.1 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) 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 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.

[1] See footnote (1) on page 41-654.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.9 Assignment and Transfer (Cont'd)

(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 "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.

41.75.10 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 7, 20 and 40. If the Customer terminates Subject Services under this Contract Offer, or terminates the Contract Offer in its entirety before the completion of the Term Period for any reason, 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 fails to meet any of the eligibility criteria in Section 41.75.3, or fails to meet any of the terms and conditions in Section 41.75.4, the Customer will be deemed to have terminated this Contract Offer and shall be liable for the Termination Liability charges set forth in this section.

(A) Customer Terminates a Subject Service

Subject to the provisions of Section 41.75.7 of this Contract Offer, if the Customer terminates a Subject Service before the completion of the Term Period, the Customer shall pay a termination liability charge. The termination liability charge will be calculated by multiplying the Monthly Recurring Charges applicable to the terminated Subject Service by the number of months remaining in the service term applicable to the terminated Subject Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.75 Contract Offer No. 75 – Special Access Service Offer (Cont'd)

41.75.10 Termination Liability (Cont'd)

(A) Customer Terminates a Subject Service (Cont'd)

Example: The Customer terminates service on a DS1 circuit subject to a Monthly Recurring Charge of $165.00, after four (4) years with 12 months remaining in the service term applicable to that Subject Service. The termination liability would be calculated as follows:

$165.00 X 12 = $1,980.00

(B) Customer Terminates Contract Offer

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, the Customer's termination liability charges shall be equal to:

The difference between (1) the actual cumulative Recurring Revenue for the MARC term year at the time of termination for Subject Services and Special Access services purchased from the Telephone Company pursuant to SWBT Tariff F.C.C. No. 73, and (2) the annual MARC for the term year at the time of termination, plus 50% of the annual MARC at the time of termination for each subsequent year (i.e. after the current term year, if any) remaining in the Term Period.

(Annual MARC – special access Recurring Revenue) + 50% (Annual MARC x years remaining) = termination liability.

Example: The Customer terminates the contract in Year 4 and Customer has one (1) additional year remaining in the five (5) year term period. Customer's annual MARC at time of termination is $2,000,000, and actual recurring revenue in Year 4 is $1,500,000. The Termination Liability charge will be as follows:

($2,000,000 – $1,500,000) + (50% Of $2,000,000 x 1) = $1,500,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.76 Contract Offer No. 76 – [1] Service Offer

41.76.1 General Description

[1] Service Offer (Contract Offer No. 76) is an access services discount pricing plan that permits Customers that meet the Eligibility Criteria in Section 41.76.3, and the terms & conditions in Section 41.76.4, to purchase Subject Services in Section 41.76.2 at the discounted rates listed in Section 41.76.5. Subject Services provided under Contract Offer No. 76 are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) described in Section 41.76.3(B). Contract Offer No. 76 is available for subscription from March 4, 2006 through April 4, 2006. This Contract Offer is not renewable.

41.76.2 Subject Services

(A) Contract Offer No. 76 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No 73, Section [1] – [1];

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.12 – DS3 MegaLink Custom Service;

(3) SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 – DS1 High Capacity Service;

(4) SWBT Tariff F.C.C. No. 73, Section [1] – [1].

(B) All terms and conditions for the Subject Services listed
above are governed by their respective tariff sections, except as noted herein.

41.76.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 76 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.76.2(A);
(B) Services must be located in the Kansas City, KS and Kansas City, MO MSAs;
(C) Subject Services ordered pursuant to this Contract Offer must be new; and
(D) All traffic must originate or terminate at a Mobile Switching Center(MSC).

(1) Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 76 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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years commencing on the date billing begins. Billing shall begin no later than 30 days after the Telephone Company's completion of the [1] access service request. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in SWBT Tariff F.C.C. No. 73, Section 39 for [1], DS3 and DS1 Service. 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 39.

Rate stability under Contract Offer No. 76 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 41.76.5 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. Subject Services are also subject to general terms and conditions of SWBT F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.4 Terms and Conditions (Cont'd)

(B) The Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(C) 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 documented actual costs incurred by the Telephone Company up to the date of cancellation.

(D) If the Customer discontinues service under Contract Offer No. 76 and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.76.10.

(E) Any additional service features or functions not included in Section 41.76.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to Section 39 - Metropolitan Statistical Area Access Services.

(F) The Customer must purchase, at minimum, the following services, all of which must be located in the Kansas City, MO and Kansas City, KS MSAs:

(1) One (1) [1] to be ordered within thirty (30) days of contract subscription;

(2) Three Hundred (300) subtending DS1 services, within twelve (12) months of contract subscription; and

(3) Twenty Five (25) subtending DS3 services, within twelve (12) months of contract subscription.

(G) All [1], DS3 and DS1 rate elements listed in Section 41.76.5 must subtend [1] Services ordered pursuant to this Contract Offer.

(H) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount plan.

41.76.5 Rates and Charges

(A) [1] Rates and Charges:
The Customer shall receive a twenty-five (25) percent discount off the sixty (60) month term rate elements provided in Section [1] for [1] Service, as outlined in Table A. The rates in Table A reflects the twenty-five (25) percent discount. Prevailing tariff Non-Recurring Charges in Section [1] for [1] service shall apply.

[1] See footnote (1) on page 41-669.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.5 Rates and Charges (Cont'd)

(A) (Cont'd)

Table A

SOUTHWEST [1] Rate Elements	**USOC**	**Rate**
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.5 Rates and Charges (Cont'd)

(A) (Cont'd)

If new [1] are added after the installation of the initial [1] pursuant to 41.76.5(A), the Term Period applicable to any new [1] Service will be co-terminus with the Term Period provided in section 41.76.4(A) of this Contract Offer, except as otherwise provided below:

If new [1] service is ordered during the last twelve (12) months of the Term Period, the Customer will be billed, and must pay, the Monthly Recurring Rates (MRCs) listed herein for a minimum period of twelve (12) months to be billed as a lump sum at the end of the Term Period. If the application of this Section 44.76.5 results in a term of less than twelve (12) months applicable to any [1] Service, the Customer shall be billed at the MRCs listed herein as a lump sum to be billed at the end of the Term Period. The lump sum would be calculated by multiplying the number of months times the MRC, as outlined in this Section.

(B) Subtending DS3 Service Rates and Charges: Customer shall receive a twenty (20) percent discount off the sixty (60) month term rates provided in Section 39.5.2.12 for Megalink Custom DS3 Service, as outlined in Table B, below. Table B rates reflect the twenty (20) percent discount.

Table B

DS3 Rate Element	**USOC**	**Rate**
DS3 CHANNEL TERMINATION - Per Point of Termination	TUZPX	$780.00
INTEROFFICE CHANNEL MILEAGE Fixed	1OXHX	$360.00
INTEROFFICE CHANNEL MILEAGE Per mile	1J5HS	$36.00
CENTRAL OFFICE MULTIPLEXING - DS3 TO DS1 - Per Arrangement	MKM	$380.00

When a DS3 is added to the [1], the DS3 shall be subject to a sixty (60) month service term. Prevailing tariff Non-Recurring Charges (NRCs)for DS3 service shall apply.

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Offer (Cont'd)

41.76.5 Rates and Charges (Cont'd)

(B) (Cont'd)

Following the end of the Term Period of this Contract Offer, any DS3 service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan found in Section 39.5.2. Otherwise applicable NRCs for DS3 service shall also apply as referenced in Section 39.

(C) Subtending DS1 Service Rates and Charges:
Customer shall receive a fifteen (15) percent discount off the sixty (60) month term rates provided in Section 39.5.2.7 for High Capacity DS1 Service, as outlined in Table C, below. Table C rates reflect the fifteen (15) percent discount.

Table C

DS1 RATE ELEMENT	**USOC**	**Rate**
DS1 CHANNEL TERMINATION - Per Point of Termination	TMECS	$78.20
INTEROFFICE CHANNEL MILEAGE Fixed	1L5XX	$28.90
INTEROFFICE CHANNEL MILEAGE Per mile	1L5XX	$8.50
CENTRAL OFFICE MULTIPLEXING - DS1 TO DS0 - Per Arrangement	MQ1	$136.00

When a DS1 is added to the [1], the DS1 shall be subject to a sixty (60) month service term. Prevailing tariff NRCs for DS1 service shall apply.

(D) Subtending [1] Service Rates and Charges:
Customer shall receive a twenty (25) percent discount off the sixty (60) month term rate elements set forth in Section [1], [1], for any [1] Service that subtends [1] Services ordered pursuant to this Contract Offer, as outlined in Table D. Table D rates reflect the twenty (25) percent discount.

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont’d)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont’d)

41.76.5 Rates and Charges (Cont’d)

Table D (D) (Cont’d)

SOUTHWEST [1] Rate Element	USOC	Rate
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

SOUTHWEST [1] Rate Element	USOC	Rate
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

SOUTHWEST [1] Rate Element	USOC	Rate
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

[1] See footnote (1) on page 41-669.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.5 Rates and Charges (Cont'd)

(D) (Cont'd)

When an [1] is added to the [1], the [1] shall be subject to a sixty (60) month service term. Prevailing tariff NRCs for [1] service shall apply.

Following the end of the Term Period of this Contract Offer, any [1] service purchased subject to this Contract Offer shall be provided according to the rates, terms and conditions of the otherwise applicable sixty (60) month term plan found in Section 39.5.2. Otherwise applicable NRCs for [1] service shall apply as referenced in Section [1].

41.76.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, 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) or (B) 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 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:

(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.

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.7 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in 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.

41.76.8 Upgrade Option

(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 offerings 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 other contract offer, 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 conditions are met:

(1) The Customer must meet all eligibility requirements outlined in Section 41.76.3, and terms and conditions outlined in Section 41.76.4;

(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 NRCs associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Offer (Cont'd)

41.76.9 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] Subject Services must have been in service for a minimum of two (2) years to be eligible for portability.

[1] See footnote (1) on page 41-669.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.76 Contract Offer No. 76 – [1] Service Offer (Cont'd)

41.76.10 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of SWBT Tariff F.C.C. No. 73, Sections 7, 20, [1]and [1]. If the Customer discontinues services and/or terminates this Contract Offer before the completion of the Term Period for any reason, except as provided in Section 41.76.8 and 41.76.9 herein, 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 the Eligibility Criteria in Section 41.76.3 or the terms and conditions in Section 41.76.4.

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:

50% of all MRCs for the balance of the Customer's five (5) year Term Period for all services under contract ([1], [1], DS3 and DS1 services).

Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRCs) multiplied by (Months remaining in billing) multiplied by (Termination percentage of 50%)

Example: A Customer with a $75,000 MRC terminates service after three(3) years, and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

($75,000 X 24 months) X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-669.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.77 Contract Offer No. 77 – Special Access Service Offer

41.77.1 General Description

Special Access Service Offer – Contract Offer No. 77 – is an access discount plan for DS1, DS3, and [1] special access services. Contract Offer No. 77 permits Customers to receive discounts for Subject Services, as described in Section 41.77.2, in the Metropolitan Statistical Areas (hereafter referred to as MSAs) listed in Section 41.77.3(A)(2). Contract Offer No. 77 is available to Customers with not more than $2,900,000 in cumulative annual revenue generated from special access services purchased from the Telephone Company, as described in Section 41.77.3(A)(3). The Customer must meet the eligibility criteria set forth in Section 41.77.3, and must otherwise comply with the terms and conditions of this Contract Offer.

Contract Offer No. 77 requires that the Customer maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period. In the event the Customer does not meet the MARC as of the anniversary date of each term year, the Customer must remit a shortfall payment as set forth in Section 41.77.5. Notwithstanding the obligation to pay such shortfall, if the Customer does not comply with Section 41.77.5, termination charges, in accordance with Section 41.77.10, shall apply.

Contract Offer No. 77 is available for subscription from March 21, 2006 through April 21, 2006. This offer is not renewable.

41.77.2 Subject Services Available Under Contract Offer No. 77

Contract Offer No. 77 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) High Capacity DS1 Special Access Services – Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 7 and Section 39;
(2) MegaLink Custom DS3 Service - SWBT Tariff F.C.C. No. 73, Section 20 and Section 39; and
(3) [1] Services – SWBT Tariff F.C.C. No. 73, Sections [1] and [1].

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, Terms and Conditions of this Contract Offer shall prevail.

[1] Material previously contained in this section has been deleted. OCN PTP 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. 77 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.3 Eligibility Criteria

(A) The following eligibility criteria must be met to subscribe to Contract Offer No. 77:

(1) Subject Services must be pricing-flexibility-qualified access services, as described in Section 41.77.2.

(2) Subject Services must be located in the following pricing flexibility qualified MSAs: Austin, TX; Dallas/Ft. Worth, TX; Houston, TX and San Antonio, TX.

(3) The Customer must have not more than $2,900,000 in cumulative annual revenue generated from special access services purchased from the Telephone Company out of SWBT Tariff F.C.C. No. 73, measured over the 12 months immediately proceeding the effective date of this Contract Offer.

41.77.4 Terms and Conditions

(A) Term Period

The term of this Contact Offer (Term Period) shall be five (5) years, commencing on the date the Customer submits its Letter of Subscription (LOS) to the Telephone Company. This offer is not renewable.

New Subject Services purchased during the Term Period must be purchased pursuant to a five (5) year term payment plan to be eligible for the rates provided in this Contract Offer. The rates provided in this Contract Offer shall apply to the Subject Services only during the Term Period. At the expiration of the Term Period, the Customer may either (1) choose to disconnect the Subject Service with no additional charges or early termination penalties owed, or (2) choose to continue service pursuant to one of the payment options provided in SWBT Tariff F.C.C. No. 73, Sections 7, 20, 39 and [1] for those Subject Services. In either event, Customer shall provide no less than sixty (60) days written notice of its election for such Subject Service.

[1] See footnote (1) on page 41-680.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.4 Terms and Conditions (Cont'd)

(A) Term Period (Cont'd)

The Customer's written notice must specifically identify all Subject Services to be converted and the payment plans to which each Subject Service should be converted. Notwithstanding anything else to the contrary in this Contract Offer, if, at the expiration of the Term Period, the Customer has not timely elected to disconnect the relevant service or has not timely selected one of the payment options described in the SWBT Tariff F.C.C. No. 73, Sections 7, 20, 39 and [1] the Subject Services shall remain in service and shall be converted to month-to-month rates, or to the shortest term payment plan applicable to the Subject Services.

(B) Rate stability under Contract Offer No. 77 applies only to the rates specific to this Contract Offer, as provided in Section 41.77.6. Subject Services listed in 41.77.2 are also subject to certain rates, charges and general terms and conditions in other sections of SWBT F.C.C. No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Services, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period. Such tariff modifications will not change the rates, Terms and Conditions provided under this Contract Offer.

(C) Contract Offer No. 77 is available only from March 21, 2006, through April 21, 2006.

(D) To subscribe to Contract Offer No. 77, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(E) Subject Services that were installed prior to the commencement of the Term Period shall not be eligible for the rates provided in this Contract Offer until their existing term commitment has been met; however, the annual recurring revenue generated from the existing Subject Services shall count toward the Customer's MARC.

(F) Subject Services purchased on or after the commencement of the Term Period shall be subject to the rates, Terms and Conditions of this Contract Offer, upon completion of the Customer's Access Service Request (ASR).

[1] See footnote (1) on page 41-680.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 - Special Access Service Offer (Cont'd)

41.77.4 Terms and Conditions (Cont'd)

(G) The Customer must subscribe to the Subject Services available under this Contract Offer in accordance with the regulations set forth in SWBT Tariff F.C.C. No. 73 Section 5 - Ordering for Access Service.

(H) If the Customer terminates this Contract Offer and/or any Subject Service during the Term Period, termination liability charges shall apply in accordance with Section 41.77.10, except to the extent that termination liability charges do not apply pursuant to the Service Term provisions of this Contract Offer, as provided in Section 41.77.7.

(I) If the Customer requests additional services, features or functions not included in Section 41.77.6, the Customer must pay the applicable tariff rates for those services, features or functions.

(J) The Customer cannot simultaneously purchase Subject Services pursuant to this Contract Offer and any other contract offer.

(K) Subject Services provided pursuant to this Contract Offer are not eligible for additional discounts under the Managed Value Plan (MVP) offering in Section 38.

(L) The Customer must be current on all undisputed billing for existing Subject Services within thirty (30) days of subscribing to this Contract Offer, and must remain current on all undisputed billing for Subject Services throughout the Term Period. The Customer must remit any billing disputes via the Telephone Company's electronic process.

(M) The Customer shall convert any existing DS1 and DS3 Unbundled Network Element Loops (UNE-L), DS1 and DS3 Enhanced Extended Links (EELs), and DS1 and DS3 Unbundled Dedicated Transport (UDT) (collectively referred to as "Identified UNEs") to special access Subject Services, in the MSAs listed in Section 41.77.3(A)(2), if the Telephone Company has designated such Identified UNEs as non-impaired.

(N) Subject to the procedures in Sections (O), (P) and (Q) herein, during the Term Period, the Customer shall not purchase Identified UNEs that have been designated as non-impaired, as set forth in Subsection (M) above, in the MSAs listed in Section 41.77.3(A)(2), but instead shall purchase special access Subject Services at the discounted rates pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.4 Terms and Conditions (Cont'd)

(O) Within five (5) business days after the Customer's subscription to this Contract Offer, the Customer shall begin submission of ASRs necessary to convert existing Identified UNEs that have been designated as non-impaired by the Telephone Company to special access Subject Services.

(P) Billing at the discounted rates set forth in Section 41.77.6 for existing Identified UNEs converted to special access Subject Services, pursuant to this Contract Offer, shall commence upon receipt of the first ASR, as described in Section (O), herein. Billing at the discounted rates set forth in 41.77.6 for Identified UNEs that, in the future, are designated as non-impaired and converted to special access during the Term Period shall commence upon receipt of the Customer's ASR.

(Q) Subject to the provisions herein, during the Term Period, the Customer shall not self-certify that it is entitled to obtain Identified UNEs that have been designated by the Telephone Company as non-impaired, as set forth in Section (M), herein. Instead, the Customer shall purchase special access Subject Services to replace such Identified UNEs at the discounted rates provided in this Contract Offer. If any Identified UNE that has been designated as non-impaired is subsequently designated as impaired, and the Customer converts Subject Services to UNEs as a result of the change, the Customer must submit ASRs to the Telephone Company for such conversion.

41.77.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment of the MARC for Year 1

The Customer must establish and maintain a MARC as provided in this Contract Offer. The MARC for the first year of the Term Period (Year 1) shall be established as of the date the Customer submits its LOS. The Customer's Year 1 MARC shall be the greater of:

(i) $3,850,000, or

(ii) The sum of the prior three (3) months of recurring revenue generated from existing special access services purchased by the Customer pursuant to SWBT Tariff F.C.C. No. 73, multiplied by four (4).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculation of the MARC for Years 2 through 5

The Customer must maintain a MARC for each year of the five (5) year Term Period. For purposes of calculating the MARC for Years 2 through 5, recurring revenue generated from all Subject Services provided under this Contract Offer in the eligible pricing flexibility MSAs, as defined in Section 41.77.3(A)(2), plus recurring revenue generated from Special Access services purchased from the Telephone Company in those MSAs pursuant to SWBT Tariff F.C.C. No. 73 (together defined as MARC Revenue), shall be counted toward the Customer's MARC, except as described in Section (E), herein.

The MARC for Years 2 through 5 shall be reviewed and re-established annually on the anniversary date of each term year. The MARC for Years 2 through 5 shall be the product of the previous three (3) months MARC Revenue, times four (4). If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will continue to apply during the next year.

Example for Year 2 MARC Establishment:

The Customer's Year 1 MARC is $3.85M. At the end of Year 1, the prior three months' MARC Revenue (i.e., the recurring revenue during the last three (3) months of Year 1) is $1M. The Customer's Year 2 MARC would be $4M ($1M X 4). The Year 2 MARC would be the $4M, rather than the Year 1 MARC of $3.85M.

(C) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC for any year of the Term Period, the Customer must pay the difference between the MARC for that term year and the actual recurring revenue for the prior twelve (12) month period for the Subject Services provided under this Contract Offer, and special access services purchased from the Telephone Company provided under SWBT Tariff F.C.C. No. 73. The Customer will be notified by the Telephone Company and will be required to remit a shortfall payment via the True-Up process described in Section (D), herein, to reach the MARC.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Annual True-Up

The Telephone Company shall conduct an Annual True-Up upon the anniversary date of each term year based on the Customer's MARC. In the event the Customer does not meet the MARC as of the anniversary date of each term year, the Customer will be notified by the Telephone Company and will be required to pay a shortfall payment as described below.

The True-Up calculation will be performed as follows:

MARC - Actual annual recurring revenues generated from special access and Subject Services as described in Section 41.77.5 (B) = Annual True-Up Amount

Example: The Customer's Year 1 MARC is $3,850,000. At the end of Year 1, the Customer's actual annual recurring revenue is $3,235,000. The True-Up amount due the Telephone Company would be $615,000

$3,850,000 – $3,235,000 = $615,000

If the Telephone Company does not receive the shortfall payment within thirty (30) days after notifying the Customer, the Customer shall be deemed to have terminated this Contract Offer, and termination charges will apply as set forth in Section 41.77.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Adjustments to the MARC

The Customer may exercise either of two one-time MARC adjustment options, subject to the provisions set forth below. The MARC adjustment options cannot be combined.

(1) Option 1 - MARC Reduction - The Customer may adjust the MARC downward by up to five (5) percent. This adjustment can only be made one time during the Term Period, and only after the completion of the first twenty-four (24) months of the Term Period. To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the date upon which the Customer requests that the reduced MARC be effective. This MARC adjustment will apply prospectively only. If the Customer exercises this option, the Customer will forfeit any above the MARC discounts, as provided in Section (F), herein, for which the Customer would otherwise be eligible for the year in which the adjustment becomes effective. The Customer will be eligible for above the MARC discounts in subsequent years only if, and to the extent that, the Customer exceeds the MARC that was in effect immediately prior to the MARC adjustment.

Example:

The Customer decides to reduce its MARC by five (5) percent for Year 3. The MARC for Year 2 is $4M. Following the MARC adjustment, the new Year 3 MARC would be $3.8M. If the Customer's revenue in Year 3 is equal to or greater than $4M, then the Customer will again become eligible to receive above the MARC discounts for revenues above $4M, beginning in Year 4.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Adjustments to the MARC (Cont'd)

(2) Option 2 - MARC Carryover - The Customer may carry over a MARC shortfall of no more than five (5) percent to the following year. No True-Up payment shall be required for that year, but the shortfall carried over shall be added to the MARC for the succeeding year. This adjustment can only be made one time during the Term Period, and only after the completion of the first twenty-four (24) months of the Term Period. To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the date upon which the Customer requests that the carried over MARC shortfall be effective. This MARC adjustment will apply prospectively only. If the Customer exercises this option, the Customer will forfeit any above the MARC discounts, as provided in Section (F), herein, for which the Customer would otherwise be eligible for the year in which the adjustment becomes effective. The Customer will be eligible for above the MARC discounts in subsequent years only if, and to the extent that, the Customer exceeds the MARC that was in effect immediately prior to the MARC adjustment.

Example:

The Customer has a MARC of $4M for Year 3. The actual annual recurring revenue at the end of Year 3 is $3.8M. The Customer elects to carry over the Year 3 MARC shortfall amount of $200K ($4M minus $3.8M) into Year 4. The Year 4 MARC is now $4.2M ($4M MARC from Year 3, plus a $200K carryover from Year 3). If, at the end of Year 4, the Customer has achieved total revenue of $4.2M or greater, no shortfall payment is due. If, at the end of Year 4, the Customer has not achieved $4.2M in revenue, the Customer must make a shortfall payment sufficient to achieve the $4.2M MARC or be subject to a termination charge as provided in Section 41.77.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(F) Above the MARC Discounts

The Customer shall receive, in the form of annual credits issued by the Telephone Company, a discount for recurring revenue generated from Subject Services purchased from the Telephone Company, within the MSAs listed in Section 41.77.3 (A) (2), to the extent such revenue exceeds the MARC. The following above the MARC discounts will apply by contract term year:

Table A

Contract Year	Discount
Year One	2%
Year Two	4%
Years Three through Five	6%

Example:

For Year 1, the Customer's Subject Services cumulative recurring revenue, in the MSAs listed in Section 41.77.3 (A) (2), equals $3,967,000. The Customer would receive a credit in the amount of $2,340.00 based on the following formula:

(Subject Services cumulative recurring revenue – Year 1 MARC) X 2% or ($3,967,000 - $3,850,000) X 2% =$2,340.00

41.77.6 Rates and Charges

(A) Monthly Recurring Charges

The Telephone Company will provide the DS1 and DS3 Subject Services listed in Table B at the following Monthly Recurring Charges (MRC). Any services, features, functions or rate elements not listed in Table B will be provided at the prevailing tariff rates in SWBT Tariff F.C.C. No. 73, Sections 7 and 39, except as otherwise provided in this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.6 Rates and Charges (Cont'd)

(A) Monthly Recurring Charges (Cont'd)

Table B

High Capacity DS1 Service (per circuit)	**MRC**
One Channel Termination and 0 interoffice miles	$88.00
One Channel Termination and 1-10 interoffice miles	$165.00
One Channel Termination and 11-20 interoffice miles	$205.00
One Channel Termination and 21-30 interoffice miles	$250.00

MegaLink Custom DS3 Service (per circuit)	**MRC**
One Channel Termination and 0 interoffice miles	$800.00
One Channel Termination and 1-10 interoffice miles	$1,200.00
One Channel Termination and 11-20 interoffice miles	$1,500.00
One Channel Termination and 21-30 interoffice miles	$1,800.00
One DS3 to DS1 Multiplexer and 0 interoffice miles	$475.00
One DS3 to DS1 Multiplexer and 1-10 interoffice miles	$900.00
One DS3 to DS1 Multiplexer and 11-20 interoffice miles	$1,200.00

The Telephone Company will provide the [1] Subject Services at a 27% discount off the Section [1] rates. The 27% discount is reflected in the rates listed in Table C. Any services, features, functions or rate elements not listed in Table C will be provided at the prevailing tariff rates set forth in SWBT Tariff F.C.C. No. 73, Sections [1] and [1], except as otherwise provided in this Contract Offer.

Table C

Rate Element	Applicable USOC	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)
(1)					
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)

[1] See footnote (1) on page 41-680.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.6 Rates and Charges (Cont'd)

(B) Non-Recurring Charges (NRC)

NRCs shall apply to Subject Services purchased under this Contract Offer based on a five (5) year payment plan, except as provided herein.

(1) The Telephone Company shall waive the following NRCs associated with the conversion of qualified existing DS1 and DS3 Identified UNEs to special access Subject Services:

(a) Administrative Charge, per order;
(b) Design and Central Office Connection Charge, per circuit; and
(c) Customer Connection Charge, per termination.

(2) Special Construction Charges may apply to Subject Services provided under this Contract Offer pursuant to Section 5.2.6.

41.77.7 Service Terms

Upon completion of the minimum term commitment (Service Term), the Telephone Company shall waive otherwise applicable termination liability charges for new and/or converted Subject Services provided under this Contract Offer, provided that the Customer is in compliance with all Terms and Conditions of this Contract Offer.

(A) The Service Term begins upon the Service Establishment Date of the circuit or upon completion of conversion as described in Section 41.77.4 (M); and

(B) The Service Terms for Subject Services under this Contract Offer shall be:

(1) Six (6) months for DS1 circuits;
(2) Twelve (12) months for DS3 circuits; and
(3) Thirty-six (36) months for [1] circuits.

[1] See footnote (1) on page 41-680.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 - Special Access Service Offer (Cont'd)

41.77.8 Mergers and Acquisitions

The Terms and Conditions 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 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.

41.77.9 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 77 pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.2.1 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) 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 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 "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.10 Termination Liability

Termination liability language described below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 7, 20 and 40. If the Customer terminates Subject Services under this Contract Offer, or terminates the Contract Offer in its entirety before the completion of the Term Period for any reason, 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 fails to meet any of the eligibility criteria in Section 41.77.3, or fails to meet any of the Terms and Conditions in Section 41.77.4, the Customer will be deemed to have terminated this Contract Offer and shall be liable for the Termination Charges set forth in this section.

(A) Customer Terminates a Subject Service

Subject to the provisions of Section 41.77.7 of this Contract Offer, if the Customer terminates a Subject Service before the completion of the Service Term, the Customer shall pay a Termination Charge. The Termination Charge will be calculated by multiplying the applicable MRC for the terminated Subject Service by the number of months remaining in the Service Term.

Example: The Customer terminates a DS1 circuit with a $165.00 MRC after four (4) months with two (2) months remaining in the Service Term.

The Termination Charge would be calculated as: $165.00 X 2 = $330.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.77 Contract Offer No. 77 – Special Access Service Offer (Cont'd)

41.77.10 Termination Liability (Cont'd)

(A) Customer Terminates Contract Offer

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, the Customer's Termination Charges shall be equal to:

The difference between (1) the actual cumulative recurring revenue for the MARC term year at the time of termination for Subject Services and special access services purchased from the Telephone Company pursuant to SWBT Tariff F.C.C. No. 73, and (2) the annual MARC for the term year at the time of termination, plus 50% of the annual MARC at the time of termination for each subsequent year (i.e. after the current term year, if any) remaining in the Term Period.

(Annual MARC – cumulative special access recurring revenue) + 50% (Annual MARC x years remaining) = Termination Charge.

Example: The Customer terminates the contract in Year 4 and Customer has one (1) year remaining in the five (5) year Term Period. The Customer's annual MARC at time of termination is $2,000,000, and actual recurring revenue in Year 4 is $1,500,000.

The Termination Charge would be calculated as: ($2,000,000 – $1,500,000) + 50% ($2,000,000 x 1) = $1,500,000 Termination Charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.78 Contract Offer No. 78 – Access Extension Offer

41.78.1 General Description

Contract Offer No. 78 – Access Extension Offer, is an access discount plan that provides qualified customers with a credit for attainment of a Monthly Billing Commitment (MBC), as described in Section 41.78.4(B).

This Contract Offer is available for subscription from March 30, 2006 to April 30, 2006.

41.78.2 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) Customer must be currently subscribed to MVP pursuant to Section 38 with an MVP Term Period that expires in 2006; and

(B) The Customer's MVP MARC must be less than $25,000,000 and must be greater than $12,000,000.

41.78.3 Contributory Services

Qualified Access Services, as described in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 38.2, shall be deemed as Contributory Services for attainment of the MBC as described in 41.78.4 (B).

(A) Contributory Subject Services

Contributory Services provided by the Telephone Company in the Metropolitan Statistical Areas (MSAs), as listed in Section 39.2, shall be deemed "Contributory Subject Services" under this Contract Offer. Contributory Subject Services are eligible for the monthly credit provided under this Contract Offer.

(B) Contributory Non-Subject Services

Contributory Services provided by the Telephone Company outside of the MSAs, as listed in Section 39.2, shall be deemed "Contributory Non-Subject Services" under this Contract Offer. Contributory Non-Subject Services shall not be eligible for the monthly credit provided under this Contact Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.78 Contract Offer No. 78 – Access Extension Offer (Cont'd)

41.78.4 Terms and Conditions

(A) Term Period

Following subscription to this Contract Offer, the contract term (Term Period) shall be five (5) months commencing upon the expiration of the Customer's existing MVP agreement.

(B) Monthly Billing Commitment (MBC)

Pursuant to this Contract Offer, the Customer must attain the MBC for each month of the Term Period as described herein to be eligible for credits, as described in 41.78.5. The Customer's MBC shall be equal to 1/12th of their existing MVP MARC.

Attainment of the MBC will be determined monthly by the Telephone Company. The Telephone Company will compare the MBC to the combined total of the monthly recurring billing for Contributory Subject Services and Contributory Non-Subject Services.

Example: Upon subscription, the Customer's existing MVP MARC is $12,120,000. The MBC would be ($12,120,000 x 1/12) or $1,010,000. At the end of Month 1, the Telephone Company billed the Customer $840,000 for Contributory Subject Services and $200,000 for Contributory Non-Subject Services, for a total monthly recurring billing of $1,040,000. Since the Customer attained its MBC, the Customer shall be eligible to receive the credit provided under this Contract Offer.

Failure to attain the MBC

If the monthly recurring billing is less than the MBC:

(1) The Customer must remit the difference between the actual monthly recurring billing and the MBC to the Telephone Company upon notification; and

(2) The Customer forfeits the monthly credit as provided in 41.78.5 for that month.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.78 Contract Offer No. 78 – Access Extension Offer (Cont'd)

41.78.4 Terms and Conditions (Cont'd)

(A) General

(1) Contributory Services, described in Section 41.78.3, are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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 Contributory Services provided under this Contract Offer are governed by their otherwise applicable tariff sections.

(3) If the Customer terminates this Contract Offer in its entirety during the Term Period, termination liability charges shall apply in accordance with Section 41.78.8.

(4) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a Letter of Subscription.

(5) The Customer may not subscribe to a new MVP Agreement, as described in Section 38, during the Term Period of this Contract Offer.

41.78.5 Monthly Credits

The Customer shall be eligible to receive a monthly credit under this Contract Offer, provided the Customer meets all the Terms and Conditions of this Contract Offer. Upon the monthly verification of the Customer's attainment of the MBC as described in 41.78.4(B), the Telephone Company shall apply a monthly credit to the Contributory Subject Services.

The monthly credit shall equal $144,325.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.78 Contract Offer No. 78 - Access Extension Offer (Cont'd)

41.78.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its rights and obligations of this Contract Offer, the Customer shall comply with the requirements of F.C.C. No. 73, Section 2.2.1. The Telephone Company shall acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1, unless (1) the proposed assignee or transferee fails to establish credit worthiness under one of the criteria provided in (A) or (B) below, or (2) if the proposed assignee or transferee, or its parent company, 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 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; or

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (i.e: Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.78 Contract Offer No. 78 – Access Extension Offer (Cont'd)

41.78.7 Mergers/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.

41.78.8 Termination Liability

If the Customer terminates this Contract Offer during the Term Period, or is not in compliance with the Terms and Conditions of this Contract Offer, then the Customer will be liable for a termination charge which shall be equal to all Monthly Credits provided under this Contract Offer. The termination charges shall become due as of the effective date of the termination.

If the Customer elects to terminate this Contract Offer the Customer must provide written notification to the Telephone Company of their intent to terminate and the effective date of the termination.

Example: If the Contract Offer is terminated after two (2) months and the Customer received a credit of $144,325.00 for each month, the termination charge shall be calculated as:

$144,325.00 x 2 = $288,650.00

ACCESS SERVICES

41. [(1)]

[(1)] Material previously contained in this section has been deleted. DSRS 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. 79 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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41. [1]

[1] See footnote (1) on page 41-700.

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41. [1]

[1] See footnote (1) on page 41-700.

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41. [1]

[1] See footnote (1) on page 41-700.

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41. [1]

[1] See footnote (1) on page 41-700.

41. [1]

[1] See footnote (1) on page 41-700.

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41. [1]

[1] See footnote (1) on page 41-700.

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41. [1]

[1] See footnote (1) on page 41-700.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.80 Contract Offer No. 80 - DS1, DS3, and [1] Service Offer

41.80.1 General Description

The DS1, DS3 and [1] Service Offer (Contract Offer No. 80) is an access discount plan that requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) during the Contract Term Period. Contract Offer No. 80 is available to any customer who commits to a MARC of at least $9.5M. Contract Offer No. 80 provides discounts to eligible customers converting high-capacity Unbundled Network Element (UNE) services to Special Access services pursuant to the rates, Terms and Conditions of this Contract Offer. The qualified access services eligible under this Contract Offer are listed in Section 41.80.2. To receive discounts under this Contract Offer, the Customer must meet the Eligibility Criteria described in Section 41.80.3, and must comply with all Terms and Conditions of this Contract Offer.

Contract Offer No. 80 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the Term Period, as defined in Section 41.80.5 (A). The MARC shall include all Contributory Services provided by the Telephone Company and AT&T affiliates purchased in the eligible Metropolitan Statistical Areas (MSAs) listed in Section 41.80.3 (A). Contributory Services shall include Contributory Subject Services as described in Section 41.80.2 (A), and Contributory Non-Subject Services as described in Section 41.80.2 (B). Contributory Non-Subject Services are not eligible for the discounts and other incentives provided under this Contract Offer. Any Contributory Non-Subject Services shall be purchased pursuant to interstate tariffs, agreements and/or contracts. Any agreements and/or contracts for Contributory Non-Subject Services shall be available for review at the Web-site established to make public any agreements for these services. Customers may reference: https://primeaccess.att.com

If, upon any quarterly calculation, the Customer’s recurring revenue from Contributory Services is less than the applicable MARC, equally prorated on a quarterly basis, the Customer must remit the shortfall payment via the Quarterly True-Up process set forth in Section 41.80.5 (C). If the Customer does not comply with all Terms and Conditions of this Contract Offer (exclusive of the terms and conditions of the agreements and/or contracts referenced herein) and cure any non-compliance situations of this Contract Offer, termination liability charges, in accordance with Section 41.80.10, will apply.

Contract Offer No. 80 will be available for subscription only from May 17, 2006 through June 17, 2006.

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 80 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer Cont'd)

41.80.2 Contributory Services

(A) Contributory Subject Services

Discounted rates and portability provided under Contract Offer No. 80 apply to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

Subject Service	**Description /Rate Regulation**	**Phase I MSA Rates and Charges**	**Phase II MSA Rates and Charges**
High Capacity (DS1) Service	7.3.10	7.3.10(F)	39.5.2.7 (N)
MegaLink Customer (DS3) Service	20.1, 20.4	20.5	39.5.2.12
[1]	[1]	[1]	[1]
[1]	[1] [1]	[1] [1]	[1] [1]

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, Terms and Conditions of this Contract Offer shall prevail.

(B) Contributory Non-Subject Services

Contributory Non-Subject Services included under Contract Offer No. 80 are services that are not pricing-flexibility-qualified access services (hereafter referred to as Contributory Non-Subject Services), which are identified below:

Signaling System 7 Services
Interstate InterLATA services (i.e. Long Distance services)

Recurring revenue from Contributory Non-Subject Services shall be used in Calculations to Determine Achievement of the MARC, as described in Section 41.80.5. Contributory Non-Subject Services are ineligible for discounts and other incentives provided under this Contract Offer. Any agreements and/or contracts for Contributory Non Subject Services shall be available for review at the website established to make public any agreements for those services. Customers may reference: https://primeaccess.att.com.

[1] See footnote (1) on page 41-708.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [(1)] Service Offer (Cont'd)

41.80.3 Eligibility Criteria

The following Eligibility Criteria must be met to subscribe to Contract Offer No. 80:

(A) Contract Offer No. 80 is available only for services located in the following Metropolitan Statistical Areas (MSAs):

Kansas City, KS-MO; Topeka, Wichita, KS; St. Louis, MO; Oklahoma City, Tulsa, OK; Austin-San Marcos, Dallas-Fort Worth, El Paso, Houston, San Antonio, and Waco, TX.

Channel Terminations between the Customer's end office and an end user premises are ineligible for Contract Offer No. 80 in the following MSA, unless and until the Telephone Company receives pricing-flexibility relief for these services in that MSA: El Paso, TX

(B) The Customer must have existing DS1 and DS3 Unbundled Network Element Standalone Loops (UNE-L), Enhanced Extended Links (EELs), or Unbundled Dedicated Transport (UDT) (collectively referred to as "Identified UNEs") in the MSAs listed in Section 41.80.3 (A).

(C) The Customer must have at least $5 million in combined annual revenue from existing Subject Services, as listed in Section 41.80.2 (A), and Identified UNEs that must be converted to Special Access pursuant to 41.80.4 (I).

41.80.4 Terms and Conditions

(A) Subscription

To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must be submitted during the contract availability period.

The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer. Additional ACNAs may not be included by the Customer after subscription to the Contract Offer.

[(1)] See footnote (1) on page 41-708.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(B) Term Periods

(1) Contract Term

The term of this Contract Offer (Term Period) shall be twenty-four (24) months, commencing on the date the Telephone Company receives the Letter of Subscription (LOS) from the Customer.

At the expiration of the Term Period, the Customer will have the option to extend the Term Period for an additional twelve (12) months. The Customer must provide written notification at least ninety (90) days prior to the expiration of the Term Period to elect to extend the Term Period. If the Telephone Company does not receive written notification at least ninety (90) days prior to the expiration of the Term Period, the Customer may not elect to extend the Term Period of this Contract Offer.

(2) Service Term

The Service Term for Subject Services provided under this Contract Offer is as follows:

The Service Term for DS1 and DS3 services provided pursuant to this Contract offer shall expire upon the expiration of the Term Period, except as provided herein.

If the Customer does not elect to extend the Term Period, the Customer may select a term payment plan for DS1 and DS3 services purchased and/or converted pursuant to this Contract Offer, as set forth in Tariff F.C.C. No. 73, Section 7.3.10 and 20.5 for Phase I MSAs, and Section 39.5.2.7 and 35.5.2.12 for Phase II MSAs.

If the Customer neither extends the Term Period nor elects a term payment plan at the expiration of the Contract Term Period, DS1 and DS3 services provided pursuant to this Contract Offer will be converted to the prevailing applicable monthly extension rates, as set forth in Tariff F.C.C. No. 73, Section 7.3.10 and 20.5 for Phase I MSAs, and Section 39.5.2.7 and 39.5.2.12 for Phase II MSAs.

[1] See footnote (1) on page 41-708.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(B) Term Periods (Cont'd)

(2) Service Term (Cont'd)

The Service Term for [1] and [1] provided pursuant to this Contract Offer shall be thirty-six (36) months, commencing on the date billing for each service begins. Billing shall commence no later than thirty (30) days after the Telephone Company's completion of the access service order.

Upon the expiration of the Service Term, the Customer must select from term payment options as set forth in Tariff F.C.C. No. 73, Section [1], [1], and [1] for Phase I MSAs, and Section [1], [1], and [1] for Phase II MSAs, or cancel the Subject Services. If the Customer does not select a term payment plan or cancel the Subject Services, services will be converted to the prevailing monthly extension rates, as set forth in Tariff F.C.C. No. 73, Section [1], [1], and [1] for Phase I MSAs, and Section [1], [1], and [1] for Phase II MSAs.

[1] See footnote (1) on page 41-708.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(C) Rate Stability

Rate stability during the Term Period applies only to the rates specific to Contract Offer No. 80 listed in Section 41.80.7. Subject Services are also subject to certain rates, charges, and general terms and conditions in other sections of Tariff F.C.C. No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, 7-Special Access Services, 13-Additional Engineering, Additional Labor & Miscellaneous Services, 20-MegaLink Customer Services, [1] - [1], [1] - [1] Service, and [1] - [1] service. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(D) Contract Termination

If the Customer terminates this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.80.10 (A), provided, however, that termination liability charges shall not apply to the extent that the Customer assigns or transfers its use of services under this Contract Offer pursuant to Section 41.80.8 of this Contract Offer.

If the Telephone Company becomes aware that the Customer has failed to comply with any of the Terms and Conditions of this Contract Offer, the Telephone Company will notify the Customer in writing. The Customer will have 30 days to return to compliance. Failure to comply within 30 days will constitute a default by the Customer, and the Telephone Company shall have the right to terminate this Contract Offer. In the event of such termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.80.10 (A).

(E) Service Termination

If the Customer terminates one or more Subject Service(s) provided under this Contract Offer during the Term Period or any Service Term, and the Subject Service is not eligible for waiver of termination liability charges pursuant to the portability provisions set forth in Section 41.80.6, termination liability charges will apply in accordance with Section 41.80.10 (B). Termination of [1] and [1] after the end of the Term Period but before the completion of a Service Term, shall be governed by the termination liability, if applicable, pursuant to Tariff F.C.C. No. 73, Section [1] and Section [1].

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(F) The Customer may not combine this Contract Offer with any promotional or discount offer. For services purchased pursuant to Section 41.80.4 (G), the Customer may combine this Contract Offer with discounts included in a subsequent contract offer in Tariff F.C.C. No. 73, provided the subsequent contract offer specifically allows for the combination of discounts with this Contract Offer.

(G) The Customer must purchase [1], [1] Service, and/or DS3 Services not previously provided by the Telephone Company totaling at least $2.2 million in annual recurring revenue. Access Service Orders (ASRs) must be submitted for these services within 30 days of subscribing to this Contract Offer. All services must be fully installed and billing must commence on these services within 120 days of subscription to this Contract Offer, provided the Telephone Company has made facilities available. The Customer must provide the Telephone Company with documentation that a carrier other than the Telephone Company or an AT&T affiliate is providing, or has proposed to provide, equivalent services at comparable rates, terms and conditions. Documentation may include, but is not limited to, circuit detail records, invoices, or service proposals.

(H) The Customer may purchase new DS1, DS3 and [1] services as set forth below:

(1) The Customer may purchase DS1 and DS3 services at the discounted rates detailed in Section 41.80.7 (A & B) at any time during the Term Period.

(2) The Customer may purchase new [1] or [1] at the discounted rates detailed in Section 41.80.7 (C), provided that the existing recurring annual revenue generated from the Subject Services exceeds the $2.2 million minimum, as required by Section 41.80.4 (G), and also provided that the additional [1] or [1] services are purchased under at least a three (3) year Service Term.

The discounts set forth in Section 41.80.7(C) will be applied only during the Term Period. At the conclusion of the Term Period, the discounts will no longer apply.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(I) The Customer shall convert any existing DS1 and DS3 Unbundled Network Element Loops (UNE-L), DS1 and DS3 Enhanced Extended Links (EELs), and DS1 and DS3 Unbundled Dedicated Transport (UDT) (collectively referred to as "Identified UNEs") to special access Subject Services, in the MSAs listed in Section 41.80.3(A), if the Telephone Company has designated such Identified UNEs as non-impaired. The configuration of the service must remain the same as a result of the conversion.

(J) Subject to the procedures in sections (K), (L) and (M), below, during the Term Period, the Customer shall not purchase Identified UNEs that have been designated as non-impaired, as set forth in subsection (I), above, in the MSAs listed in Section 41.80.3(A), but instead shall purchase special access Subject Services at the discounted rates pursuant to this Contract Offer.

(K) Within five (5) business days after the Customer's subscription to this Contract Offer, the Customer shall begin submission of the access service requests (ASRs) necessary to convert existing Identified UNE's that have been designated as non-impaired by the Telephone Company to special access Subject Services.

(L) Billing at the discounted rates set forth in 41.80.7 (A & B) for existing Identified UNEs to be converted to special access Subject Services pursuant to this Contract Offer shall commence upon receipt of the first ASR, as described in (K), above. Billing at the discounted rates set forth in 41.80.7 (A & B) for Identified UNEs that, in the future, are designated as non-impaired and converted to special access shall commence upon receipt of the Customer's access service request.

(M) Subject to the provisions herein, during the Term Period, the Customer shall not self-certify that it is entitled to obtain Identified UNEs that have been designated by the Telephone Company as non-impaired, as set forth in subsection (I), above. Instead, Customer shall purchase special access Subject Services to replace such Identified UNEs at the discounted rates provided in this Contract Offer. If the Customer converts Subject Services to UNEs, it must submit access service requests to the Telephone Company for such conversion.

[1] See footnote (1) on page 41-708.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and SO [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(N) Upon subscription to this Contract Offer, the Customer has the option to convert a maximum of one hundred twenty-five (125) Non-Identified UNEs that the Telephone Company has not deemed non-impaired to Special Access Subject Services at the discounted rates provided under this Contract Offer. Any Non-Identified UNEs that do not meet the non-impairment criteria in excess of the one hundred twenty-five (125) maximum, may be converted to Special Access services provided under Tariff F.C.C. No. 73, but will not be eligible for inclusion in this Contract Offer during the Term Period.

(O) The Customer must pay billed charges in full during the Term Period. If the Customer fails to remain current on payment of all billed charges, the Customer will have thirty (30) business days from receipt of the written notice from the Telephone Company to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate the Customer's subscription to this Contract Offer. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.80.10(A), will apply. Credits will not be issued until the Customer has paid all billed charges.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(P) Commingling, as defined in Tariff F.C.C. No. 73, Section 2.7, is permitted provided the following:

(1) that the Subject Service has been converted from UNEs pursuant to this Contract Offer, and
(2) to the extent commingling is otherwise permitted by Tariff F.C.C. No. 73, Section 5.2.1.

The Customer may not otherwise commingle using Subject Services provided under this Contract Offer.

(Q) Access Service Ratio

During the Term Period, the Customer must maintain the Access Service Ratio established upon subscription to this Contract Offer, calculated as described below. During the Term Period, the Customer's ratio may increase, but may not decrease. If the ratio decreases, the Customer will have thirty (30) days to return the ratio equal to, or greater than, the level established upon subscription to this Contract Offer. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. The ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' interstate recurring billed revenue associated with the rate elements defined in Table A:

TABLE A:

Service	**General/Basic Description**
DS1 and DS3 Services	7.3.10, 20.1
[1]	[1]
[1]	[1]

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s).

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and SONET Service Offer (Cont'd)

41.80.4 Terms and Conditions (Cont'd)

(Q) Access Service Ratio (Cont'd)

TABLE B:

Service Level	**Associated Rate Elements Not Included in Interstate Tariff**
DS1/LT1	**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/LT3	**DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services**
OC-3 OC-12 OC-48	**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 Transport Products	**Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport**

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment and Calculation of the MARC

Pursuant to this Contract Offer, the Customer must establish and maintain a Minimum Annual Revenue Commitment (MARC). The Customer's Year 1 MARC will be calculated and established thirty (30) days after the Customer has subscribed to this Contract Offer, and shall be the greater of: (i) $9.5 million, or (ii) the current monthly recurring revenue billed for DS1 and DS3 Services, and Identified UNEs to be converted to Special Access at the rates specified in this Contract Offer, in Section 41.80.7 (A) & (B), multiplied by twelve.

Example for MARC Establishment

At the time of the calculation, the Customer's actual monthly recurring billed revenue for Contributory Services, including Identified UNEs converted to discounted rates set forth in Section 41.80.7, is $833,333. The MARC for Year 1 would be $10,000,000, calculated as ($833,333 x 12).

Year 2 MARC Calculations

The Customer's Year 2 MARC will be equal to the MARC calculated for Year 1 of the Contract year. For example, if the MARC for Year 1 was $9.5 million, then the MARC for Year 2 will be $9.5 million.

MARC applicable to Extension of Contract Offer

If the Customer elects to extend this Contract Offer pursuant to Section 41.80.4(B)(1), the MARC applicable to the extended twelve (12) months of the Term Period will be calculated by multiplying the actual monthly recurring revenue from Contributory Services for the last three (3) months of Year 2 of the Term Period by four.

If the recalculated MARC is greater than the Year 2 MARC, the recalculated MARC shall apply as the MARC for the extended twelve (12) months of the Term Period. If the Year 2 MARC is greater than the recalculated MARC, the Year 2 MARC shall apply as the MARC for the extended twelve (12) months of the Term Period.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Determine Achievement of the MARC

Achievement of the MARC shall be determined according to the recurring revenue from Contributory Services, as billed by the Telephone Company and/or AT&T affiliates and paid by the Customer. Recurring revenue from Contributory Services shall include Contributory Services to which the Customer subscribes as of the commencement of the Term Period, purchases of Contributory Services during the Term Period, and/or conversions of Identified UNES to special access Subject Services pursuant to Section 41.80.4(I). To be included in the Calculations to Determine Achievement of the MARC, all recurring revenue must be billed under the ACNAs provided by the Customer upon subscription to this Contract Offer.

(C) Quarterly True-up Process

At the close of each quarter of the Term Period, the Telephone Company will review the recurring revenue from Contributory Services to determine achievement of the MARC. Achievement of the prorated year-to-date MARC for each quarter will be calculated using the following percentages applied to the MARC for each Contract Year:

Quarter	**% of MARC**	**Recurring Revenue to be Reviewed**
1st Quarter	25%	1st Quarter of the Contract year
2nd Quarter	50%	1st two quarters of the Contract year
3rd Quarter	75%	1st three quarters of the Contract year
4th Quarter	100%	All four quarters of the Contract year

The 1st Quarter of Year 1 of this Contract Offer will begin on the first day of the month immediately following the Customer's subscription to this Contract Offer. Future quarters will begin every three months thereafter, for the remainder of the Term Period.

If, upon any quarterly calculation, the Customer's recurring revenue from Contributory Services is less than the applicable MARC, equally prorated on a quarterly basis to reflect the year-to-date MARC, the Customer must submit a true-up payment equal to the difference between the prorated year-to-date MARC and the recurring revenue from Contributory Services for the 1st Quarter of that contract year.

Any true-up payment(s) made by the Customer during a contract year will be included in Calculations to Determine Achievement of the MARC, as described in Section 41.80.5 (B), preceding, and in determining the amount of any applicable true-up payment.

[1] See footnote (1) on page 41-708.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Quarterly True-up Process (Cont'd)

Example of the 1st Quarter True-up:

The MARC for Year 1 is $10 million, and the recurring revenue for Contributory Services during the 1st Quarter is $2.3 million. In this example, the Customer must submit a true-up payment of $200,000, as calculated below:

1st Quarter Year-to-Date MARC($10 million x 25%)	$2,500,000
Recurring revenue for the 1st Quarter of the Contract Year	($2,300,000)
True-up Payment Due for the 1st Quarter	$200,00

Example of the 2nd Quarter True-up:

The MARC for Year 1 is $10 million, the total recurring revenue for Contributory Services during the first two quarters is $4 million, and the Customer submitted a true-up payment of $200,000 for the 1st Quarter. In this example, the Customer must submit a true-up payment of $800,000 for the 2nd Quarter, as calculated below:

2nd Quarter Year-to-Date MARC($10 million x 50%)	$5,000,000
Recurring revenue for the 1st and 2nd Quarters of the Contract Year	($4,000,000)
True-up payments submitted during the Contract Year	($200,000)
True-up Payment for the 2nd Quarter	$800,000

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Quarterly True-up Process (Cont'd)

Example of the 3rd Quarter True-up:

The MARC for Year 1 is $10 million and total recurring revenue for the first three quarters is $6.5 million. The Customer submitted true-up payments during the Contract Year of $1,000,000. In this example, the Customer would have met the prorated year- to-date MARC as calculated below.

3rd Quarter Year-to-Date MARC ($10 million x 75%)	$7,500,000
Recurring revenue for the 1st, 2nd, and 3rd Quarters of the Contract Year	($6,500,000)
True-up payments submitted during the Contract Year	($1,000,000)
True-up Payment for the 3rd Quarter	$0

Example of the 4th Quarter True-up:

The MARC for Year 1 is $10 million and total recurring revenue for all four quarters is $9 million. The Customer submitted true-up payments during the Contract Year of $1,000,000. In this example, the Customer would have met the MARC for that Contract Year as calculated below.

4th Quarter Year-to-Date MARC ($10 million x 100%)	$10,000,000
Recurring revenue for the 1st, 2nd, 3rd, and 4th Quarters of the Contract Year	($9,000,000)
True-up payments submitted during the Contract Year	($1,000,000)
True-up Payment for the 4th Quarter	$0

If, at the end of each contract anniversary date, the Customer has exceed the MARC (actual revenue + true-up payments + carry-over revenue), and has made true-up payments during the contract year under review, the Telephone Company will provide a credit to the Customer for the amount that exceeds the MARC, but not greater than the total true-up payments submitted by the Customer in that contract anniversary year.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Carry-Over of Revenue Above the MARC

If, at the end of Year 1 of the Term Period, the Customer's total paid recurring revenue from Contributory Services has exceeded the Year 1 MARC (as calculated pursuant to Section 41.80.5 (A)), the Customer may, at its option, apply the amount above the Year 1 MARC to the Calculations to Determine Achievement of the MARC, described in Section 41.80.5 (B), during Year 2 of the Term Period. The amount of the carry-over may not exceed 20% of the MARC. If the Customer selects this option, recurring revenue carried over will be added to the recurring revenue from Contributory Services in the quarterly true-up calculations described in Section 41.80.5 (C).

The Customer must provide written notification to the Telephone Company at least ninety (90) days prior to the end of Year 1 of the Term Period if the Customer elects to exercise the carry-over option. If the Telephone Company does not receive written notification at least ninety 90 days prior to the end of Year 1 of the Term Period, the Customer may not elect to exercise the carry-over option described in this Section. The Customer may not exercise this option if it extends the Term Period pursuant to 41.80.4 (B).

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) (Carry-Over of Revenue Above the MARC (Cont'd)

Example of Carry-Over of Revenue Above the MARC:

Example of the 1st Quarter True-up in Year 2 with Carry-Over Option

The MARC for Year 2 is $10 million, and the recurring revenue from Contributory Services during the 1st Quarter of Year 2 is $2.3 million. The Customer exceeded the Year 1 MARC by $2 million and selected the carry-over option. In this example, a true-up payment is not required as calculated below because the Customer's recurring revenue, in addition to the carry-over revenue, exceeds the 1st Quarter MARC requirement.

1st Quarter Year-to-Date MARC ($10 million x 25%)	$2,500,000
Recurring revenue for the 1st Quarter of the Year 2	($2,300,000)
Carry-Over Revenue from Year 1	($2,000,000)
True-up Payment Due for the 1st Quarter	N/A

Example of the 2nd Quarter True-up in Year 2 with Carry-Over Option

The MARC for Year 2 is $10 million, and the recurring revenue for Contributory Services during the first two quarters is $4 million. The Customer exceeded the Year 1 MARC by $2 million and selected the carry-over option. In this example, a true-up payment is not required because the Customer's recurring revenue, in addition to the carry-over revenue, exceeds the 2nd Quarter MARC requirement, as calculated below:

2nd Quarter Year-to-Date MARC ($10 million x 50%)	$5,000,000
Recurring revenue for the 1st and 2nd Quarters of the Contract Year	($4,000,000)
Carry-Over Revenue from Year 1	($2,000,000)
True-up Payment for the 2nd Quarter	N/A

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Failure to Achieve the MARC

If, in any quarter, the Customer does not meet the pro-rated year- to-date MARC based on the Calculations to Determine Achievement of the MARC, any discounts or credits due, as described in Sections 41.80.6 or 41.80.7, will be withheld until the Customer submits a true-up payment as required by Section 41.80.5(C)

41.80.6 Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves and/or disconnects of 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 Services

For any DS1 services to be eligible for portability, the Customer must have been in service pursuant to the DS1 Term Payment Plan (TPP) High Capacity Service Portability Commitment plan described in Tariff F.C.C. No. 73, Section 7.2.22 (E).

If the Customer does not elect to extend the Term Period, pursuant to 41.80.4 (B) (1), the Customer will be credited any early termination liability charges assessed pursuant to Tariff F.C.C. No. 73, Section 7.2.22 (E) (3) (e), provided the Customer has maintained the TPP Portability Commitment for at least two (2) years.

(C) DS3 Services

For any DS3 services to be eligible for portability, the service must have been in service pursuant to this Contract Offer for at least one (1) year.

(D) [1] Services

For any [1] and [1] to be eligible for portability, the service must have been in service pursuant to this Contract Offer for at least two (2) years.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.7 Rates and Discounts

(A) The Customer must pay the following Monthly Recurring Charges (MRCs) for DS1 services provided under this Contract Offer:

DS1 Rates	**USOC**		**24 month term period (MRCs)**
Channel Termination	TMECS	Per Point of Termination	$112.00
Interoffice Transport – Fixed	1L5XX	Per Point of Termination	$34.00
Interoffice Transport – per Mile	1L5XX	Per Mile	$10.00
DS1 to DS0/Base Rate Multiplexer	MQ1	Per Arrangement	$260.00

(B) The Customer must pay the following MRCs for DS3 services provided under this Contract Offer:

DS3 Rates	**USOC**		**24 month term period (MRCs)**
Channel Termination	TUZPX	Per Point of Termination	$1,250.00
Interoffice Mileage – Fixed	10XHX/ 10XlX	Per Point of Termination	$450.00
Interoffice Mileage – per Mile	1J5HS/ 1HXLS	Per Mile	$45.00
DS3 to DS1 Multiplexer	MKM	Per Arrangement	$525.00

(C) [1] and [1] discount:

The Customer will receive a 15% discount for any [1] or [1] services purchased pursuant to Section 41.80.4(H)(ii). The discount will be applied to the recurring revenue billed by the Telephone Company and paid by the Customer for [1] and [1] services during each quarter of the Term Period, as long as the Customer complies with all Terms and Conditions of this Contract Offer.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.7 Rates and Discounts (Cont'd)

(D) Non-Recurring Charges

The Telephone Company will waive installation Non-Recurring Charges (NRCs) associated with the conversion of DS1, DS3, and [1] services purchased under this Contract Offer. Installation NRCs will also be waived for new DS1 and DS3 channel terminations purchased pursuant to 41.80.4(H). In the event installation NRCs are charged, the Telephone Company will credit these charges quarterly. Access Order, Special Construction, Expedite, and Additional Labor charges will apply where applicable.

41.80.8 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 80 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1, provided that the proposed assignee or transferee commits, in writing, within ninety (90) days of the proposed assignment and transfer, to fulfill the Customer's MARC obligation under this Contract Offer, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 "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.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.8 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.9 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 80 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Contributory Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Contributory Services of the other company involved in the merger or acquisition will not be eligible for inclusion under this Contract Offer. Subject Services from the other company involved in the merger or acquisition will not be eligible for portability set forth in Section 41.80.6, or the discounted rates set forth in Section 41.80.7

41.80.10 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability language contained in SWBT Tariff F.C.C. No. 73, Section 7.2.22 (G), 20.4.6, [1], [1], and [1].

(A) Contract Termination Liability Charge

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, the Customer must pay the Telephone Company termination liability charges as described below. If the Customer elects to terminate this Contract Offer, the Customer must provide written notification to the Telephone Company within ninety (90) days of the planned Contract termination date.

Termination liability charges will also apply if the Customer is not in compliance with any of the Terms and Conditions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of the contract, and are payable as described.

The Customer's termination liability charge shall be equal to:

(1) 100% of all discounts or credits provided under Contract Offer No. 80 for the twelve (12) months immediately prior to the date of termination, plus
(2) 25% of the MARC prorated for each month remaining in the Contract Term Period.

[1] See footnote (1) on page 41-708.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 80 – DS1, DS3, and [1] Service Offer (Cont'd)

41.80.10 Termination Liability (Cont'd)

(A) Contract Termination Liability Charge (Cont'd)

For example, if the Customer's MARC is $9.5M and the Customer terminates this Contract Offer with ten (10) months remaining in the Contract Offer, the Customer will be assessed Contract termination liability charges of $2.5M ($9.5M / 12 months X 25% X 10 remaining months)

Additionally, upon termination of this Contract Offer, DS1 and DS3 Services provided under this Contract Offer will revert to the prevailing monthly extension rates for the services, unless the Customer terminates the service. Tariff section references for rates and charges for all DS1 and DS3 Services are listed in Section 41.80.2 (A).

(B) Service Termination Liability Charge

If the Customer disconnects a service provided under this Contract Offer before the completion of the Service Term and prior to the expiration of the Term Period, and the Terms and Conditions as provided under Section 41.80.4 for portability have not been met, or are not applicable, termination liability charges will apply and are payable as described below.

50% of all recurring charges for the balance of the Customer's Service Term during the Term Period. The termination liability charge will be calculated as follows:

(Monthly Recurring Charge (MRC)) multiplied by (Months remaining in the Service Term) multiplied by (termination liability percentage of 50%)

Example: Customer with a $1,000 MRC terminates service after twelve (12) months and has twelve (12) months, remaining in a twenty-four (24) month Service Term Period. The termination liability would be calculated as: $1,000 X 12 X 50% = $6,000 service termination liability charge.

[1] See footnote (1) on page 41-708.

41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer

41.81.1 General Description

The [1] Service Offer (Contract Offer No. 81) is an access discount plan that requires Customers to purchase [1] Services upon subscription to the Contract Offer. This Contract Offer is available to any customer that will purchase five (5) [1] and one (1) [1] in the Metropolitan Statistical Areas (MSAs) listed in Section 41.81.3. To receive discounts under this Contract Offer, the Customer must meet the Eligibility Criteria described in Section 41.81.3, and must comply with all Terms and Conditions of this Contract Offer.

Contract Offer No. 81 will be available for subscription only from June 1, 2006 through July 1, 2006.

41.81.2 Subject Services

Discounted rates and portability provided under Contract Offer No. 81 apply to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

Subject Service	Description /Rate Regulation	Phase I MSA Rates and Charges	Phase II MSA Rates and Charges
MegaLink Customer (DS3) Service	20.1, 20.4	20.5	39.5.2.12
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, Terms and Conditions of this Contract Offer shall prevail.

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 81 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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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.3 Eligibility Criteria

The following Eligibility Criteria must be met to subscribe to Contract Offer No. 81:

(A) Contract Offer No. 81 is available only for services located in the following Metropolitan Statistical Areas (MSAs):

Kansas City, KS; Kansas City and St. Louis, MO; and Dallas-Fort Worth, and Houston, TX.

41.81.4 Terms and Conditions

(A) Subscription

To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must be submitted during the contract availability period.

(B) Term Periods

(1) Contract Term

The term of this Contract Offer (Term Period) shall be no longer than forty-two (42) months, commencing on the date billing begins for the first [1], and ending thirty-six (36) months from the date billing begins on the last [1]. Rates detailed in Section 41.81.6 are only available to services provided under this Contract Offer during the Term Period.

Upon the expiration of the Term Period, the Customer must select from term payment options as set forth in Tariff F.C.C. No. 73, Sections [1] and [1] for Phase I MSAs, and Sections [1] and [1] for Phase II MSAs, or cancel the Subject Services. If the Customer does not select a term payment plan or cancel the Subject Services, services will be converted to the prevailing monthly extension rates, as set forth in F.C.C. No. 73, Sections [1] and [1] for Phase I MSAs, and Sections [1] and [1] for Phase II MSAs.

[1] See footnote (1) on page 41-730.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.4 Terms and Conditions (Cont'd)

(B) Term Periods (Cont'd)

(2) Service Term

The Service Term for Subject Services provided under this Contract Offer is as follows:

(a) DS3 services provided under this Contract Offer shall have a Service Term of twenty-four (24) months commencing the date billing for each service begins. Prior to the expiration of the twenty-four (24) month Service Term, the Customer will have the option to extend the Service Term for twelve (12) months. The Customer must submit written notification that it elects to extend the Service Term no later than ninety (90) days prior to the expiration of the twenty-four (24) month Service Term and, must submit Access Service Orders (ASRs) to extend the Service Term for each DS3 service. Upon the expiration of the Term Period, if a DS3 service has not completed its Service Term, discounted rates will no longer apply and the Customer must select from term payment options pursuant to Section 41.81.4 (B)(1).

(b) For [1] and [1] provided under this Contract Offer, the Service Term shall be thirty-six (36) months, commencing on the date billing for each service begins.

(C) Rate Stability

Rate stability during the Term Period applies only to the rates specific to Contract Offer No. 81 listed in Section 41.81.6. Subject Services are also subject to certain rates, charges, and general terms and conditions in other sections of F.C.C. Tariff No. 73, as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, 13-Additional Engineering, Additional Labor & Miscellaneous Services, 20-MegaLink Customer Services, [1] - [1], and [1] - [1] service. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(D) Contract Termination

If the Customer terminates this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.81.9 (B).

[1] See footnote (1) on page 41-730.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.4 Terms and Conditions (Cont'd)

(E) Service Termination

If the Customer terminates one or more Subject Service(s) provided under this Contract Offer during the Term Period, and the Subject Service is not eligible for waiver of termination liability charges pursuant to the portability provisions set forth in Section 41.81.5, termination liability charges will apply in accordance with Section 41.81.9 (B).

(F) The Customer may not combine this Contract Offer with any promotional or discount offer. The Customer may use revenue from this Contract Offer to contribute to revenue commitments provided under Contract Offer No. 80. The Customer may not combine discounts provided in Contract Offer No. 80 and this Contract Offer.

(G) The Customer must purchase the following services at the rates provided in Section 41.81.6 under this Contract Offer:

(i) five (5) new [1] Services, and
(ii) one (1) new [1] Service.

Access Service Orders (ASRs) must be submitted for these services within thirty (30) days of subscribing to this Contract Offer. All services must be fully installed, and billing must commence on these services within 120 days of subscription to this Contract Offer, provided the Telephone Company has made facilities available.

(H) The Customer may purchase a maximum of 252 DS3 Services under this Contract Offer at the rates detailed in Section 41.81.6 (A).

(I) DS3 services purchased under this Contract Offer must be new services not previously provided by the Telephone Company.

(J) The Customer must pay billed charges in full during the Term Period. If the Customer fails to remain current on payment of all billed charges, the Customer will have thirty (30) business days from receipt of the written notice from the Telephone Company to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate the Customer's subscription to this Contract Offer. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.81.9, will apply. Credits will not be issued until the Customer has paid all billed charges.

[1] See footnote (1) on page 41-730.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.4 Terms and Conditions (Cont'd)

(K) Commingling, as defined in Tariff F.C.C. No. 73, Section 2.7, is permitted for DS3 services only to the extent commingling is otherwise permitted by Tariff F.C.C. No. 73, Section 5.2.1.

The Customer may not otherwise commingle Subject Services provided under this Contract Offer.

41.81.5 Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves and/or disconnects of DS3 and [1] 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 set forth in Section 41.81.4.

(B) Eligible DS3 services must have completed its twenty-four (24) months Service Term under this Contract Offer.

(C) Eligible [1] or [1] must have completed its thirty-six (36) month Service Term under this Contract Offer.

[1] See footnote (1) on page 41-730.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.6 Rates and Discounts

(A) The Customer must pay the following Monthly Recurring Charges (MRCs) for DS3 sub-tending services provided under this Contract Offer in the MSAs noted in Section 41.81.3 (A):

Configuration	**USOCs**	**Qty**	**MRC per**
1 DS3 to DS1 Multiplexer	MKM	1	$500.00
1 DS3 to DS1 multiplexer 1 Interoffice fixed mile 1-5 Interoffice variable miles	MKM 10XHX /10XLX 1J5HS / 1HXLS	1 1 1-5	$935.00
1 DS3 to DS1 multiplexer 1 Interoffice fixed mile 6-10 Interoffice variable miles	MKM 10XHX /10XLX 1J5HS / 1HXLS	1 1 6-10	$1026.84
1 DS3 to DS1 multiplexer 1 Interoffice fixed mile 11-15 Interoffice variable miles	MKM 10XHX /10XLX 1J5HS / 1HXLS	1 1 11-15	$1222.94
1 DS3 to DS1 multiplexer 1 Interoffice fixed mile 16-31 Interoffice variable miles	MKM 10XHX /10XLX 1J5HS / 1HXLS	1 1 16-31	$1662.94
1 Channel Termination	TUZPX	1	$900.00
1 Channel Termination 1 Interoffice fixed mile 6-10 Interoffice variable miles	TUZPX 10XHX /10XLX 1J5HS / 1HXLS	1 1 6-10	$1360.00
1 Interoffice fixed mile 1-10 Interoffice variable miles	10XHX /10XLX 1J5HS / 1HXLS	1 1-10	$700.00
1 Interoffice fixed mile 145 Interoffice variable miles	10XHX /10XLX 1J5HS / 1HXLS	1 145	$5462.94

(B) The Customer must pay the following MRC for [1] sub-tending services provided under this Contract Offer in the Dallas MSA: [1]

[1] **Rates**	**USOC**		**Qty**
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.6 Rates and Discounts (Cont'd)

(C) The Customer must pay the following MRC for [1] services provided under this Contract Offer in the Dallas MSA: [1]

[1]	**USOC**		**Qty**
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

(D) The Customer must pay the following MRC for [1] services provided under this Contract Offer in the Houston MSA: [1]

[1]	**USOC**		**Qty**
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

(E) The Customer must pay the following (MRC) for [1] Services provided under this Contract Offer in the Kansas City, KS and Kansas City, MO MSA: [1]

[1] **Rates**	**USOC**		**Qty**
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.6 Rates and Discounts (Cont'd)

(F) The Customer must pay the following MRCs for [1] Services provided under this Contract Offer in the Dallas, TX MSA: [1]

[1] Rates	USOC		Qty
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

(G) The Customer must pay the following Monthly Recurring Charges (MRCs) for [1] Services provided under this Contract Offer in the Houston, TX MSA: [1]

[1] Rates	USOC		Qty
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.6 Rates and Discounts (Cont'd)

(H) The Customer must pay the following MRC for [1] Services provided under this Contract Offer in the Kansas City, KS and Kansas City, MO MSA: [1]

[1] Rates	USOC		Qty
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

(I) The Customer must pay the following MRCs for [1] Services provided under this Contract Offer in the St. Louis, MO MSA: [1]

[1] Rates	USOC		Qty
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.6 Rates and Discounts (Cont'd)

(J) The Customer must pay the following Monthly Recurring Charges (MRCs) for [1] Services provided under this Contract Offer in the St. Louis, MO MSA: [1]

[1] **Rates**	**USOC**		**Qty**
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]

(K) Non-Recurring Charges

The Telephone Company will waive installation Non-Recurring Charges (NRCs) for DS3, [1], [1], [1] and [1]. In the event installation NRCs are charged, the Telephone Company will credit these charges quarterly. Access Order, Special Construction, Expedite, and Additional Labor charges will apply, where applicable.

41.81.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 81 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1, provided that the proposed assignee or transferee commits, in writing, within ninety (90) days of the proposed assignment and transfer, to fulfill the Customer's MARC obligation under this Contract Offer, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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.

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.7 Assignment and Transfer (Cont'd)

(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 "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.

41.81.8 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 81 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Contributory Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Contributory Services of the other company involved in the merger or acquisition will not be eligible for inclusion under this Contract Offer. Subject Services from the other company involved in the merger or acquisition will not be eligible for portability set forth in Section 41.81.5, or the discounted rates set forth in Section 41.81.6.

[1] See footnote (1) on page 41-730.

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41. Pricing Flexibility Contract Offerings

41.81 Contract Offer No. 81 – [1] Service Offer (Cont'd)

41.81.9 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability language contained in SWBT Tariff F.C.C. No. 73, Sections 20.4.6, [1], and [1].

(A) Contract Termination

If the Customer terminates this Contract Offer before the expiration of the Term Period, Service Termination Liability Charges will apply for each service under this Contract Offer, provided the service has not completed its Service Term. If the service has completed its Service Term under this Contract Offer, termination liability charges will not apply.

(B) Service Termination

If the Customer disconnects one or more services provided under this Contract Offer before the completion of the Term Period, and the service has not completed its Service Term, termination liability charges will apply and are payable as described below.

Service Termination Liability Charges Example

50% of all Monthly Recurring Charges for the balance of the Customer's Service Term. The termination liability charge will be calculated as follows:

(Monthly Recurring Charge (MRC)) multiplied by (Months remaining in the Service Term) multiplied by (termination liability percentage of 50%)

Example: Customer with a $20,000 MRC terminates service after twenty-four (24) months, and has twelve (12) months remaining in a thirty-six (36) month Service Term Period. The termination liability would be calculated as: ($20,000 X 12) X 50% = $120,000 Service Termination Liability Charge.

[1] See footnote (1) on page 41-730.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

41.82.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 82) is an access discount plan that provides Customers with Incentive Discounts and Portability Incentives (as defined in Section 41.82.4) in accordance with the Terms and Conditions as set forth in Section 41.82.3

41.82.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 82 applies to qualified access services contained in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 (Qualified Access Services), listed in Table A, below:

Table A

Service	General Basic Description	Rates and Charges	
MegaLink Data Services	7.3.9	7.3.9(F)	39.5.2.6
High Capacity Service	7.3.10	7.3.10(F)	39.5.2.7
Self-Healing Transport Network (STN)	19.1	19.4	39.5.2.11
MegaLink Custom Service	20.1	20.5	39.5.2.12
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Broadband Circuit Service (BCS)	35.1	35.3	39.5.2.14
(1)	(1)	(1)	(1)
ReliaNet Service	31.3	31.3.3	39.5.2.13
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

(B) When additional Qualified Access Services are added to the services available under SWBT Tariff F.C.C. No. 73, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 82 for the purposes of calculating the Incentive Discounts and Portability Incentives included in this Contract Offer No. 82.

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 82.

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and OCN PTP 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. 82 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont’d)

41.82.3 WAMS-VIP Offer Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 82:

(A) Eligibility Criteria

(1) The Qualified Access Services must be located within the “Operating Territory” of the Telephone Company, as described in SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory);

(2) The Customer must have billed recurring revenues for Qualified Access Services to establish a Baseline Minimum Annual Revenue Commitment of $79,932,000 (Baseline MARC) for Qualified Access Services, which includes a Baseline SONET Minimum Annual Revenue Commitment (Baseline SONET MARC) of $45,334,000 for SONET Services and does not include any billed recurring revenues for Qualified Access Services that are part of the Customers MVP commitment;

(3) Incentive Discounts earned by the Customer under this Contract Offer No. 82 shall be applied in the form of a credit to the Customer’s bill(s) for Qualified Access Services, located in the following Metropolitan Statistical Areas (MSAs) where the Telephone Company has been granted pricing flexibility as listed in SWBT Tariff F.C.C. No. 73, Section 21:

Fayetteville-Springdale, Fort Smith, Little Rock and Memphis, Arkansas; Kansas City, Topeka, Wichita, and Non MSA, Kansas; Kansas City, Springfield, Joplin, St. Joseph, St. Louis, and Non-MSA, Missouri; Lawton, Oklahoma City and Tulsa, Oklahoma; Abilene, Amarillo, Austin/San Marcos, Beaumont, Brownsville/Harlingen, Corpus Christi, Dallas/Fort Worth, El Paso, Houston, Longview/Marshall, Lubbock, McAllen/Edinburg, Midland, San Antonio, Tyler, Waco and Wichita Falls, Texas;

(4) All traffic on the Qualified Access Service(s) must originate or terminate on a wireless carrier's network; and

(5) The Customer must have a minimum MVP revenue MARC of $34,981,000.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Revenue commitments are based on billed, recurring charges for the Qualified Access Services, and specifically excludes any non-recurring charges and Incentive Discounts earned under this Contract Offer No. 82;

(2) The Customer must maintain a Baseline Minimum Annual Revenue Commitment of $79,932,000 (Baseline MARC) for Qualified Access Services, which includes a Baseline SONET Minimum Annual Revenue Commitment of $45,334,000 for SONET Services (Baseline SONET MARC);

(3) Contract Offer No. 82 Incentive Discounts and Portability Incentives are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs, except that billed, recurring revenues that are discounted under this Contract Offer No. 82 are not eligible under the Managed Value Plan (MVP) offered in SWBT Tariff F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 82;

(4) The Customer can convert one hundred percent (100%) of their billed, recurring revenues that are discounted under MVP to Contract Offer No. 82 according to the provisions set forth in Section 41.82.4;

(5) Current WAMS-VIP Customers, subscribing to SWBT Tariff F.C.C. No. 73, Section 41.22, can terminate their current Contract Offer No 22 and subscribe to this Contract Offer No. 82 without incurring termination liability charges, provided all Terms and Conditions of this Contract Offer are met;

(6) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 82, but in the event of such rate modifications, no change will be made to the Baseline MARC or the Baseline SONET MARC;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (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. 82;

(8) This Contract Offer No. 82 is available June 7, 2006 through July 7, 2006;

(9) The Customer must meet the criteria described for in Incentive Discounts and Portability Incentives, as provided in Section 41.82.4; and

(10) To subscribe to Contract Offer No. 82, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS shall contain the effective date ("Effective Date") and the Access Customer's Name Abbreviation(s) (ACNA), and must be signed by the Customer and the Telephone Company's representative.

(C) Term Period

The contract term (Term Period) is eighty-four (84) months commencing on the Effective Date. Each twelve (12) month period beginning with the Effective Date shall be a Term Year. At the end of the Term Period, the Incentive Discounts and Portability Incentives provided in this Contract Offer No. 82 shall be discontinued. This offer is not renewable.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts

The Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under this Contract Offer No. 82 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC),
Incentive Discount Achievement Credit (IDAC),
Incentive Discount for SONET Services (SONET-ID),
Incentive Discount for WinBack Services (WinBack Incentive), and
Portability Incentive for DS1s and DS3s (Portability Incentive).

(A) Incentive Discount Commitment

In order to qualify for the IDCC, IDAC, SONET-ID and Portability Incentives, the Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year One, the Customer's IDC will equal the Baseline MARC of $79,932,000.

(b) For Term Years Two through Seven the Customer's IDC will be the greater of:

(i) The Achieved Revenue Amount, as defined in Section 41.82.5, from the previous Term Year;

(ii) The IDC from the previous Term Year; or

(iii) The sum of the Achieved Revenue Amount from the previous Term Year plus the Shortfall IDAC Payment, when the Customer makes a Shortfall IDAC Payment, as defined in Section 41.82.4(C)(1)(e).

(2) Application of Incentive Discount Commitment
If, during the Annual True-Up, as defined in Section 41.82.5 (A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC, IDAC, SONET-ID and Portability Incentives for the following Term Year, provided the criteria in Section 41.82.4(B),(C),(D) and (F), respectively, are met.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment (Cont'd)

Example: In Term Year One, the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $90,000,000 and the IDC is $79,932,000. Since the Achieved Revenue Amount exceeds the IDC, the Telephone Company would apply the IDCC, IDAC, SONET-ID and Portability Incentives in Term Year Two, based on the Customer's IDC for Term Year Two of $90,000,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring Qualified Access Services in accordance with SWBT Tariff F.C.C. No. 73, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

For each Term Year, the Customer will be eligible for an "Incentive Discount Commitment Credit" (IDCC) according to Table B, as per sub-section (1) on the following page.

Table B

IDC- Level	IDC Ranges			IDCC
1	$ 79,932,000	up to	$ 87,924,999	$ 879,000
2	$ 87,925,000	up to	$ 96,717,999	$ 1,209,000
3	$ 96,718,000	up to	$ 103,971,999	$ 1,560,000
4	$ 103,972,000	up to	$ 111,769,999	$ 1,956,000
5	$ 111,770,000	up to	$ 120,151,999	$ 2,403,000
6	$ 120,152,000	up to	$ 129,163,999	$ 2,906,000
7	$ 129,164,000	up to	$ 135,621,999	$ 3,391,000
8	$ 135,622,000	up to	$ 142,402,999	$ 3,916,000
9	$ 142,403,000	up to	$ 149,522,999	$ 4,486,000
10	$ 149,523,000	up to	$ 156,999,999	$ 5,102,000
11	$ 157,000,000	up to	$ 160,924,999	$ 5,632,000
12	$ 160,925,000	up to	$ 164,947,999	$ 6,186,000
13	$ 164,948,000	up to	& Higher	$ 8,247,000

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 41.82.4 (A), as follows:

(i) One-quarter of the IDCC will be applied thirty (30) days in arrears from the end of the First, Second and Third quarters of the Term Year, based on the IDCC determined under Section 41.82.4(B)(1)(b) and 41.82.4(B)(1)(c), below; and

(ii) One-quarter of the IDCC will be applied sixty (60) days in arrears from the end of the Fourth Quarter of the Term Year, as per the Annual True-Up described in Section 41.82.5.

(b) The IDCC applied during the first three (3) quarters of Term Year One shall be based upon IDC-Level 1.

(c) The IDCC applied during the first three (3) quarters for Term Years Two through Seven will be based upon the IDC-Level attained using the IDC established in Section 41.82.4 (A).

(C) Incentive Discount Achievement Credit for Qualified Access Service

For each Term Year, the Customer will be eligible for an Incentive Discount Achievement Credit (IDAC) according to Table C, below.

Table C

IDAC Level	IDAC Range			IDAC
1	$79,932,000	up to	$96,717,999	$ 14,507,800
2	$96,718,000	up to	$111,769,999	$ 17,675,000
3	$111,770,000	up to	$129,163,999	$ 21,027,000
4	$129,164,000	up to	$142,402,999	$ 24,412,000
5	$142,403,000	up to	$156,999,999	$ 26,914,000
6	$157,000,000	up to	$164,947,999	$ 28,966,000
7	$164,948,000	up to	& Higher	$ 29,691,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit

(a) The Telephone Company will apply the IDAC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDAC per Section 41.82.4(A), as follows:

(i) Half of the IDAC will be applied thirty (30) days in arrears from the end of the First Quarter of the Term Year, and the remaining half of the IDAC will be applied thirty (30) days in arrears from the end of the Second Quarter of the Term Year.

(b) The IDAC applied during the First and Second Quarters of Term Year One shall be based upon IDAC-Level 1.

(c) The IDAC applied during the First and Second Quarters for Term Years Two through Seven will be based upon the IDAC-Level attained using the IDC as established in Section 41.82.4 (A).

(d) The IDAC corresponding to each IDAC-Level will be credited to the Customer as provided below:

(i) The IDAC corresponding to IDAC-Level 1 will be available to the Customer only once during the Term Period;

(ii) The IDAC corresponding to IDAC-Levels 2 through 7 will each be credited to the Customer only once during the Term Period, except when the Customer skips an IDAC-Level from one Term Year to the next Term Year;

(iii) If the Customer has skipped one (1) or more IDAC-Levels from one (1) Term Year to the next Term Year, the Customer will be eligible to receive the IDAC corresponding to the higher IDAC-Level more than once, provided that the Achieved Revenue Amount in the following Term Year remains within the IDAC Range of the higher IDAC-Level;

(iv) The number of times the Customer will be eligible for an IDAC corresponding to a given IDAC-Level shall be equal to the initial application of the IDAC plus the number of skipped IDAC-Levels;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit (Cont'd)

(d) (Cont'd)

(v) The Customer will not be eligible for the IDAC corresponding to a skipped IDAC-Level;

(vi) If the Customer achieves IDAC-Level 7 in any given Term Year, the IDAC corresponding to IDAC-Level 7 will be credited to the Customer in any subsequent Term Year in which the Customer qualifies for IDAC-Level 7.

For example, if at the end of Term Year One, the Customer's Achieved Revenue Amount equaled $130,000,000, the Customer would be eligible for an IDAC commensurate with IDAC-Level 4, skipping IDAC-Levels 2 and 3.

If, at the end of Term Years Two, Three and Four, the Customer's Achieved Revenue Amount is between $130,000,000 and $142,402,999, the Customer would be eligible for the IDAC corresponding to IDAC-Level 4 for each of those three Term Years. The Customer would not be eligible for the IDAC corresponding to IDAC-Level 4 in Term Years Five, Six or Seven.

(e) If the Customer's Achieved Revenue Amount from one Term Year is not sufficient for the Customer to qualify for an IDAC in the following Term Year, the Customer must make a shortfall payment (Shortfall IDAC Payment). The Shortfall IDAC Payment amount would equal the difference between the Achieved Revenue Amount and the minimum value of the IDAC Range for the next IDAC-Level that is still available to the Customer.

(i) The Telephone Company must notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall IDAC Payment amount for the subsequent Term Year.

(ii) The Customer must make the Shortfall IDAC Payment within thirty (30) days after receiving said notification from the Telephone Company.

(i) Upon receipt of the Shortfall IDAC Payment, the Telephone Company will apply the IDAC for the First Quarter of the subsequent Term Year per Section 41.82.4 (C) (1).

(iv) If the Customer does not make the Shortfall IDAC Payment, no IDAC will be applied for the subsequent Term Year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) Incentive Discount for SONET Services

The Customer is eligible for additional Incentive Discounts for SONET Services, "SONET-Incentive Discounts" (SONET-ID) at the end of each Term Year if the Customer's incremental billed, recurring revenues for SONET Services fall within one of the SONET-ID Levels set forth in Table D, below. The SONET-ID Level is the amount of SONET billed recurring revenues in a Term Year above the Baseline SONET MARC ($6,935,000).

Table D

SONET-ID Level	SONET-ID Ranges	SONET-ID Percentage Discount
1	$0 - $ 239,999	0%
2	$240,000 - $ 479,999	10%
3	$480,000 - $ 719-999	11%
4	$720,000 - $ 959,999	12%
5	$960,000- $1,199,999	13%
6	$1,200,000 - $1,439,999	14%
7	$1,440,000 - $1,679,999	15%
8	$1,680,000 or above	16%

The Telephone Company will apply the SONET-ID in the form of a credit to the Customer's bill(s) for Qualified Access Services sixty (60) days in arrears from the end of the Fourth Quarter of the Term Year.

Example:
The Customer has ended a given Term Year of Contract Offer No. 82, and the billed, recurring revenue for SONET Service equals $45,900,000. The SONET-ID for the Term Year is 11%, or $125,450.

$45,900,000 - $45,334,000 = $566,000 (incremental SONET-ID revenue) $566,000 X 11% = $62,260 (SONET-ID)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(E) Incentive Discount for WinBack Services

If the Customer elects to obtain Qualified Access Service(s) located in MSAs where the Telephone Company has been granted pricing flexibility within the Operating Territory, in place of access service(s) that is provided by a carrier other than the Telephone Company or one of its affiliates, the Customer will receive a one-time credit equal to twenty percent (20%) of the first twelve (12) months billed, recurring revenue for that new Qualified Access Service (WinBack Incentive).

This WinBack Incentive credit will be applied in addition to the Incentives described in Sections 41.82.4(B),(C),(D) and (F).

(1) Eligibility Criteria for WinBack Incentive

(a) The Customer must present reasonable and verifiable information, which includes, but is not limited to, circuit detail or coordinated move orders to demonstrate the service being converted is currently being provided by a carrier other than the Telephone Company or its affiliates; and

The new Qualified Access Service(s) ordered must have a minimum term period of twelve (12) months for DS1 and DS3 orders and thirty-six (36) months for SONET services.

(2) Application of WinBack Incentive

(a) The Telephone Company will apply the credit to the Customer's bill(s) for Qualified Access Services that follow the end of the initial twelve (12) month period, thirty (30) days in arrears, as follows:

(i) When the Telephone Company and the Customer have identified the start date for the term period of the WinBack Qualified Access Service in a authorization letter, the initial twelve (12)month period will be the twelve (12) month period commencing on that start date; or

(ii) When the start date for the term period of the WinBack Qualified Access Service is established by the completion of an access service order, the initial twelve (12) month period will be the twelve (12) month period commencing on the day the access service order is completed.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(F) DS1/DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS1 and DS3 Qualified Access Services.

This Portability Incentive is in addition to the Incentives described in Sections 41.82.4(B),(C),(D) and (E).

(1) Eligibility Criteria for DS1/DS3 Portability Incentive

The following criteria must be met in order to receive the Portability Incentive:

(a) The Customer's DS1s and DS3s must meet the Minimum Period requirements, as established under SWBT Tariff F.C.C. No. 73, Section 2.5.4, at the previous location;
(b) The term period of the new circuit must be equal to, or greater than, the remaining term of the disconnected circuit;
(c) The disconnect and new service must be within the Operating Territory; and
(d) Any applicable DS1 Minimum Monthly Revenue Commitment (MMRC) level reductions (disconnect access service order), as established under SWBT Tariff F.C.C. No. 73, Sections 39.4 or Section 7.2, in one MSA, must be offset by an equal MMRC level increase (new access service order) in the new MSA.

(1) Quarterly Review of Disconnect Access Service Orders

If the Customer qualified for the Portability Incentive as set forth in Section 41.82.4 (A)(2), but cumulative "disconnect" access service orders exceeded "add" access service orders during the Term Year, as measured on a quarterly basis, the Customer will be assessed termination liability charges on the sum difference between the cumulative disconnect and add access service orders.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.5 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish any Fourth Quarter Incentive credits, adjustments or other payments that apply for the preceding twelve (12) month period, as determined by whether:

(1) The Customer maintained its Baseline MARC and Baseline SONET MARC during that Term Year; and

(2) The Customer earned the IDCC and IDAC received during the First, Second and Third Quarters of the Term Year ("Applied IDCC" and "Applied IDAC", respectively).

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount." The IDCC and/or IDAC earned using the Achieved Revenue Amount, compared to Table B, Section 41.82.4 (B) and Table C, Section 41.82.4 (C) will constitute the "Earned IDCC" and "Earned IDAC."

(B) Annual True-Up Calculations

(1) Baseline MARC Annual True-Up:
The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline MARC.

(a) If the Customer's Achieved Revenue Amount falls below the Baseline MARC, the Customer may pay the difference between the Baseline MARC and the Achieved Revenue Amount (Shortfall Payment).

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall Payment.

(ii) The Customer may make the Shortfall Payment and return the difference between the Applied IDCC and the Earned IDCC, associated with the Baseline MARC, within thirty (30) days after receiving notification from the Telephone Company.

(iii) The following Term Year's IDC and IDCC will be determined as set forth in Section 41.82.4 (A) and (B).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline MARC Annual True-Up: (Cont'd)

(a) (Cont'd)

Example of Baseline MARC Annual True-Up: If the Customer's Achieved Revenue Amount in Term Year Five is $78,000,000, the Baseline MARC of $79,932,000 has not been met. The Customer may choose to pay the difference of $1,652,000 ($29,652,000 - $28,000,000) and repay the difference between the Applied IDCC and the Earned IDCC.

(b) If the Customer's Achieved Revenue Amount falls below the Baseline MARC for any given Term Year, and the Customer does not make the Shortfall Payment, this Contract Offer Subscription shall terminate and termination liability charges will apply, as described in Section 41.82.8(A).

(2) Baseline SONET MARC Annual True-Up: The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline SONET MARC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, but the Baseline SONET MARC is not maintained, the Earned IDCC will be reduced ("IDCC Reduction"), as explained in subparagraphs (i) through (iii), below.

(i) The IDCC Reduction will be calculated by taking the Baseline SONET MARC, less the billed, recurring revenues for SONET Services for the Term Year, and multiplying that amount by ninety-five percent (95%), or (.95).

(ii) The Telephone Company will reduce the amount of the Earned IDCC, to be applied in the fourth quarter, by the IDCC Reduction. If the IDCC Reduction exceeds the value of the Fourth quarter IDCC, the Telephone Company will reduce the Applied IDCC in the subsequent Term Year by the remaining amount of the IDCC Reduction.

(iii) The following Term Year's IDCC will be determined as set forth in Section 41.82.4 (B).

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont’d)

41.82.5 WAMS-VIP Annual True-Up (Cont’d)

(B) Annual True-Up Calculations (Cont’d)

(1) Baseline SONET MARC Annual True-Up: (Cont'd)

(a) (Cont’d)

Example of Baseline SONET MARC Annual True-Up:

If billed, recurring revenue for SONET Service equals $45,000,000, and the Achieved Revenue Amount equals $130,000,000, the IDCC Reduction would equal ((45,334,000 - $45,000,000)x.95)), or $317,300, and the Earned IDCC would be adjusted to $3,073,700 ($3,391,000 - $317,300).

The amount of the Fourth Quarter IDCC would equal $530,450 ($847,750 - $317,300).

(b) If the Baseline SONET MARC is not maintained by the Customer, as a result of SONET rate reductions and/or rate restructures that are directly attributed to actions of the Telephone Company and not attributed to the Customer, the IDCC Reduction will be zero (0).

(3) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer’s Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer’s Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will determine the Earned IDCC and the Fourth Quarter credit amount. The Fourth Quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The Customer would receive its Fourth Quarter payment, as set forth in Section 41.82.4(B)(1)(a)(ii).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(3) IDCC Annual True-Up: (Cont'd)

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment"), or the Customer will refund the Applied IDCC to Telephone Company, as detailed below.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(ii) The Customer shall pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The Telephone Company will apply the appropriate IDCC for the Fourth Quarter of the Term Year within thirty (30) days of receiving the Make-Up Payment. The Fourth Quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The following Term Year's IDCC will be determined as set forth in Section 41.82.4(B).

(iv) If the Customer chooses not to make the Make-Up Payment, the customer will repay the Applied IDCC. Repayment is due thirty (30) days after notification from the Telephone Company as identified in subparagraph (i) above.

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year Three is $132,000,000, and the IDC is $130,000,000, the Earned IDCC would be $3,391,000. The IDCC applied for the Fourth Quarter would be equal to $3,391,000, less the Applied IDCC received by the Customer for the Term Year, or $847,750.

(4) IDAC Annual True-Up:

(a) For Term Years One through Seven, no Annual True-Up will be performed on the IDAC.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(5) MVP MARC Conversion Option:
To exercise the MVP MARC conversion option, the Customer shall send written notice to the Telephone Company thirty (30) days before the end of Term Years Two through Seven, and no later than six (6) months after MVP contract expiration. This option will not alter the terms or conditions of the MVP contract, including, but not limited to, any terms or conditions related to termination. If the Customer sends the required notice, then:

(a) The Telephone Company shall recalculate the Baseline MARC, IDC, IDC Ranges, IDCCs, IDACs and IDAC Ranges for the Term Years to the end of the Term Period to allow the combined current IDC and the converted MVP MARC to be covered under Contract Offer No. 82, subject to the following terms and conditions:
(i) One hundred percent (100%) of the Customer's current MVP MARC must be included in Contract Offer No. 82;
(ii) The Baseline MARC shall be set equal to one hundred percent (100%) of the MVP MARC, plus $79,932,000; and
(iii) The next Term Year's IDC shall be equal to one hundred percent (100%) of the MVP MARC, plus the IDC calculated in Section 41.82.5(B) (3).

(b) The IDC and IDAC Ranges shall be adjusted according to the following formula:

An MVP Option multiplier ("MVP Option Multiplier") shall be determined, which shall be equal to the ratio of the Combined IDC to the Customer's current IDC. The MVP Option Multiplier shall be applied to the minimum and maximum values of the IDC and IDAC Ranges associated with the IDC, and IDAC-Levels that are available to the Customer at the time of conversion, as defined in Section 41.82.4.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(5) MVP MARC Conversion Option: (Cont'd)

(b) (Cont'd)

Example:
IDC = $120,000,000
Current IDAC Level = 3
IDAC Range Minimum = $111,770,000
IDAC Range Maximum = $129,163,999

MVP MARC Revenue = $35,000,000
Combined IDC = $155,000,000 ($120,000,000 plus $35,000,000)
Option 1 Multiplier = 1.29 ($155,000,000/$120,000,000)
Combined IDAC Range Minimum = $144,183,300 ($111,770,000 multiplied by 1.29)
Combined IDAC Range Maximum = $166,621,559 ($129,163,999 multiplied by 1.29)

The MVP Option Multiplier shall be applied to the IDCC and the IDAC associated with the IDCC and IDAC-Levels, which remains available to the Customer at the time of conversion, to determine the Combined IDCC and IDAC Ranges.

Example:
IDC = $120,000,000
Current IDAC-Level = 3 IDAC = $ 21,027,000

MVP Multiplier = 1.29
Combined IDAC = $27,124,830 ($21,027,000 multiplied by 1.29)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 82 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Sections 2.2.1(B) and (C) are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c), below, or if the assignee or transferee or its parent has commenced, or had initiated against it, a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the securities and exchange commission; or

(b) 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 a rating organization for a possible downgrade; or

(c) 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The Terms and Conditions of Contract Offer No. 82 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in this subsection (i-ii), (Option), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company, within the time period described above, stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date." None of the Options shall alter, in any way, the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including but not limited to, any terms or conditions related to termination.

Option (i): The Customer and Telephone Company shall recalculate the Baseline MARC, Baseline SONET MARC, IDC, IDC Ranges, IDCCs, IDACs and IDAC Ranges (Key Numbers) for the period from the Option Exercise Date to the end of the Term Period to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2)(Cont'd)

Option (i): (Cont'd)

(1)One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of the Customer and the other entity must be included in the Contract Offer Subscription;

(2) The Baseline MARC and Baseline SONET MARC will be adjusted according to the following formula:

(a) The Baseline MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus 29,652,000.This shall be the "Combined Baseline MARC"; and

(b) The Baseline SONET MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services that are SONET services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus $6,935,000. This shall be the Combined Baseline SONET MARC."

(3) The IDC for the remainder of the then-current Term Year will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's actual billed recurring Qualified Access Services revenues for
the three (3) months immediately preceding the Option Exercise Date multiplied by four (4), plus the Customer's current IDC. This shall be the "Combined IDC."

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(4) The IDC and IDAC Ranges will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC, will be applied to the minimum and maximum values of the IDC and IDAC Ranges associated with the IDC and IDAC-Levels that are still available to the Customer, as defined in Section 41.82.4.

Example:
IDC = $37,900,000
Current IDAC Level = 3
IDAC Range Minimum = $37,510,000
IDAC Range Maximum = $41,260,999

New Entity Revenue = $25,000,000
Combined IDC = $62,900,000 ($37,900,000 plus $25,000,000)
Option 1 Multiplier = 1.66 ($62,900,000/$37,900,000)
Combined IDAC Range Minimum = $62,266,600 ($37,510,000 multiplied by 1.66)
Combined IDAC Range Maximum = $68,493,258 ($41,260,999 multiplied by 1.66)

(5) The IDCCs and IDACs amounts will be adjusted according to the following formula:

The Option 1 Multiplier will be applied to the IDCC and the IDAC associated with the IDCC and IDAC-Levels which remain available to the Customer in order to determine the Combined IDCC and IDAC Ranges.

Example:
IDC = $37,900,000
Current IDAC-Level = 3
IDAC = $6,010,100

Option 1 Multiplier = 1.66 ($62,900,000/$37,900,000)
Combined IDAC = $9,976,766 ($6,010,100 multiplied by 1.66)

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont’d)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont’d)

Option (i): (Cont'd)

(6) The Customer must have at least forty-eight (48) months remaining in the Term Period under the Contract Offer Subscription or, if less than forty-eight (48) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the Terms and Conditions of the Contract Offer No. 82 remain in effect for forty-eight(48) months after the Option Exercise Date; and

(7) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date, with no credits being applied to the Customer’s bill(s) during this sixty (60) day period. Starting with the remaining quarters, combined Key Numbers will be used to determine applicable IDCC and IDAC credit amounts.

(a) If the Option Exercise Date falls within the First, Second or Third quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Numbers are determined, or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(b) If the Option Exercise Date falls within the Fourth quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Numbers are determined, or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii):The Contract Offer Subscription shall be terminated as set forth within Section 41.82.8 (A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.20 Contract Offer No. 20 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets
If the Customer is required by a regulatory agency to divest any markets, market spectrum or customers ("Divested Market"), in connection with a Transfer, the Customer can request that Key Numbers be recalculated by the Telephone Company. The Customer shall send written notice to the Telephone Company within sixty (60) days of completing a market divestiture. The date the Customer sends that written notice shall be the "Divestiture Notice Date." The Telephone Company will recalculate the Key Numbers as described below:

(1) The Baseline MARC, IDC, IDCC Ranges and IDAC Ranges will be reduced, by either of the following methods, at the Customer's discretion ("Divested Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification, multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a), above.

(2) The Baseline SONET MARC will be reduced, by either of the following methods, at the Customer's discretion ("Divested SONET Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services that are SONET revenues for the three (3) months immediately preceding the notification, multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a), above.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps:

Step 1.
Determine the impact on total revenue by calculating the "Divestiture Percentage." The Divestiture Percentage is the percent change between the Pre-Divest and Post-Divest revenues. The "Pre-Divest Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification, multiplied by four (4), or the Baseline MARC, whichever is greater. The "Post-Divest Revenue" equals Pre-Divest Revenue, minus the Divested Revenue from (B)(1) of this Section.

Example:
Pre-Divest Revenue =$37,900,000
Divested Revenue =$ 2,900,000
Post-Divest Revenue =$35,000,000 ($37,900,000 - $2,900,000)

Divestiture Percentage = 8%
(1-($35,000,000/$37,900,000))

Step 2.
Determine the SONET multiplier that results from the divested SONET revenue by the following:

(a) Determine the "Post-Divest SONET Revenue" amount by subtracting the Divested SONET Revenue, as identified in (B) (2) of this Section, from the Pre-Divest SONET Revenue. The "Pre-Divest SONET Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services that are SONET services for the three (3) months immediately preceding the notification, multiplied by four (4), or the Baseline SONET MARC, whichever is greater.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps:

Step 2. (Cont'd)

(a) (Cont'd)

If the Post-Divest SONET Revenue amount meets or exceeds the Baseline SONET MARC ($6,935,000), the SONET multiplier equals 1.0.

Example:
Pre-Divest SONET Revenue =$7,500,000
Divested SONET Revenue = $ 500,000
Post-Divest SONET Revenue=$7,000,000

(a) If the Post-Divest SONET Revenue amount is less than the Baseline SONET MARC, the ratio of Post-Divest SONET Revenue to Post-Divest Revenue ("Post-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Post-Divest Revenue =$35,000,000
Post-Divest SONET Revenue=$ 6,700,000
Post-Divest Ratio = 19%
($6,700,000/$37,900,000)

(c) If the Post-Divest Ratio is equal to or greater than 23%, the SONET multiplier equals 1.0.

(d) If the Post-Divest Ratio is below 23%, the ratio of Pre-Divest SONET Revenue, as identified in Step 2 (a), to total Pre-Divest Revenue ("Pre-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Pre-Divest Revenue =$37,900,000
Pre-Divest SONET Revenue=$ 7,500,000
Pre-Divest Ratio = 20%
$7,500,000/$37,900,000)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps: (Cont'd)

Step 2. (Cont'd)

(d) A SONET equalizer will be calculated by subtracting the Pre-Divest Ratio from 23% ("SONET Equalizer"). The SONET Equalizer will be added to the Post-Divest Ratio, resulting in a revised Post-Divest Ratio.

Example:
Pre-Divest Ratio = 20%
SONET Equalizer = 3% (23%-20%)
Post-Divest SONET Ratio = 19%
SONET Equalizer= 3%
Revised Post-Divest Ratio = 22%

(e) The following SONET multipliers will be applied based upon the revised Post-Divest Ratio(s):

(i) 23% or greater, a SONET multiplier of 1.0 will be used;

(ii) Less than 23%, but equal to or greater than 20%, a SONET multiplier of 1.25 will be used;

(iii) Less than 20%, but equal to or greater than 10%, a SONET multiplier of 1.50 will be used; or

(iv) Less than 10%, a SONET multiplier of 2.0 will be used.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps: (Cont'd)

Step 3.

The Divestiture Percentage multiplied by the SONET multiplier will equal the percent reduction in the IDCCs and IDACs which remain available to the customer.

IDCC-Level =5
IDAC-Level =3
Divestiture%=8%
SONET Multiplier = 1.25 (assuming a revised Post-Divest Ratio of 22%)

Reduced IDCC = $1,062,900
(1,181,000 – ($1,181,000 x (.08 X 1.25)))

Reduce IDAC = $5,409,090
(6,010,100 – ($6,010,100 X (.08 X 1.25)))

(4) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Divestiture Notice Date. The recalculated Key Numbers will become effective once the Divested Market's, billed, recurring revenues for Qualified Access Service are no longer being billed to the Customer ("Divestiture Effective Date"). Starting with the remaining quarters of the Term Year as of the Divestiture Effective Date, the recalculated Key Numbers will be used to determine the applicable IDCC and IDAC amounts.

(a) If the Divestiture Effective Date falls within the First, Second or Third quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are effective, or thirty (30) days in arrears of the end of the quarter, whichever is later; or

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(4) (Cont'd)

(b) If the Divestiture Effective Date falls within the Fourth Quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are determined, or sixty (60) days in arrears of the end of the quarter, whichever is later.

41.82.7 WAMS-VIP Cell-Site Performance – Credits

(A) Description

Cell-Site Performance Improvement Credits are available to the Customer based upon the quality of service delivered during the Term Period, as set forth in subparagraph (1), below. The credits will be granted in the event that the Telephone Company's Contract Offer No. 82 service performance level objectives for cell-site DS1 Qualified Access Services are not met.

(1) The DS1 Qualified Access Services cell-site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell-site DS1 circuits are in service during a given month, compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours), plus (28 days, times 110 circuits, times 24 hours), or 148,320. This would be the denominator of the network availability equation.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.7WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(A) Description (Cont'd)

(1) (Cont'd)

Example: (Cont'd)

The numerator would be the total hours of outage based upon measured tickets reported to the Telephone Company, subtracted from the 148,320. If there were eight (8) reported failures averaging 3.5 hours per outage, the total hours of outage would be equal to twenty-eight (28). The resulting availability equation for those two (2) months will be ((148,320-28)/148,320, or 99.981%. A twelve (12) month aggregation using the same process as noted for two (2) months will be used to determine annual percent availability for a Customer.

(2) Table E, below, provides cell-site service performance targets, based on DS-1 Percentage of Network Availability, for each Term Year.

Table E

Term Year	% Network Availability
1	99.9830%
2	99.9854%
3	99.9877%
4	99.9900%
5	99.9900%
6	99.9900%
7	99.9900%

(B) At the Annual True-Up, if the Telephone Company annual results fail to meet the performance target, as specified in Table E, above, and the Customer has met the Baseline MARC, the Telephone Company will provide credits and services as follows:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(B)(Cont'd)

(1) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble ticket reported to the Telephone Company during the Term Year for cell-site improvements. The special construction credits will be used to improve performance at mutually agreed upon Customer's cell sites that are performing below the DS-1 Percentage of Network Availability, as specified in Table E in this Section.

For example: special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell-sites; and

(2) The Telephone Company will provide the Customer the ability to purchase Automatic Loop Transfer service at twenty-five percent (25%) discount off the monthly recurring rates described in SWBT Tariff F.C.C. No. 73, Section 39.5.2, for those cell sites that fail to meet the performance target, as specified in Table E, in this Section.

41.82.8 Termination

The Customer's subscription to this Contract Offer No. 82 shall terminate if the Customer gives notice to Telephone Company, as set forth in the following paragraph, and as set forth elsewhere in this Contract Offer No. 82.

The termination liability charges described below shall apply if termination occurs because the Customer does not make a Shortfall Payment as described in Section 41.82.5 (B) (1), and/or the Customer elects to terminate its subscription to Contract Offer No. 82 for reasons other than described in Section 41.82.8(B).

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, written notification must be provided to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.8 Termination (Cont'd)

(A) Termination Liability

Termination liability charges will consist of the sum of the following:

(1) Ten percent (10%) of the Baseline MARC, divided by twelve (12), then multiplied by the number of months remaining in the Term Period; plus
(2) Repayment of the IDCC, IDAC and SONET-ID given under Contract Offer No. 82 during the three (3) quarters preceding the termination date.

Example:

Customer with a Baseline MARC of $29,652,000, and an IDC of $35,806,000, terminates its Contract Offer Subscription after forty-eight (48) months and with thirty-six (36) months remaining in the eighty-four (84) month Term Period, and the Customer received IDCC and IDAC of $702,750 and $3,437,500, respectively, for the previous three quarters before termination. The termination liability charges would be:

(($29,652,000/12) X 10% X 36) + ($702,750 + $3,437,500) = $13,035,850 termination liability charge.

(B) Rate Reductions

If the tariffed rates for the Qualified Access Services are reduced by a cumulative total of twenty percent (20%) from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the LOS by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

To determine whether the 20% rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Qualified Access Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	TX	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.82 Contract Offer No. 82 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.82.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

The Telephone Company shall also perform a similar exercise within sixty (60) days following each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis). The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis Comparison

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	1000	$300,000	$200,000	
Total	9600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Qualified Access Service rate elements listed below:

(1) DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed and Channel Mileage (CM) per mile;

(2) DS3 – CT, CM fixed, CM per mile and Multiplexing (MUX); and

(3) SONET – All SONET rate elements for Self-Healing Transport Network (STN), BCS, ReliaNet, [1] and [1] services.

[1] See footnote (1) on page 41-742.

41. Pricing Flexibility Contract Offering

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term

41.83.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

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41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.83.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73 Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.83.2Contract Terms

(A) Contract Offering No. 83 is available during the purchase period, which begins June 9, 2006 and ends December 9, 2006.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 83.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 83, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.83.2Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 83 is one (1) year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(B) At the conclusion of the initial contract term, Contract Offering No. 83 will be automatically converted to the applicable monthly renewal rate, found in Section 41.83.3 (B). The Customer may terminate Contract Offering No. 83 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 83 upon thirty (30) days written notice any time following the completion of the initial contract term.

(C) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(D) No other discount pricing plans apply.

(E) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 83.

(F) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 83 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.83.2(L). The termination charge for Contract Offering No. 83 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(G) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 83 terminated, and the termination charges described in 41.83.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the nonrecurring charge to install service as reflected in Section 41.83.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.83.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 83 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.83.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 83 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 83, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 83.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 83 terminated. If Contract Offering No. 83 is terminated during the initial contract term, the termination charges described in Section 41.83.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.83.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.83.1(B), and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.83.3 Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge applies for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.83 Contract Offering No. 83 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.83.3 Rate Regulations (Cont'd)

(A) Types of Rates and Charges (Cont'd)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term

41.84.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.84.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39 If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.84.2 Contract Terms

(A) Contract Offering No. 84 is available during the purchase period, which begins June 9, 2006 and ends December 9, 2006.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 84.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 84, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.84.2Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 84 is two (2) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 84 will be automatically converted to the applicable monthly renewal rate, found in Section 41.84.3 (B). The Customer may terminate Contract Offering No. 84 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 84 upon thirty (30) days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 84.

(J) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 84 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.84.2(L). The termination charge for Contract Offering No. 84 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 84 terminated, and termination charges described in Section 41.84.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the nonrecurring charge to install service as reflected in Section 41.84.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.84.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 84 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.84.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 84 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 84, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 84.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 84 terminated. If Contract Offering No. 84 is terminated during the initial contract term, the termination charges described in Section 41.84.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.84.2Contract Terms (Cont’d)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.84.1(B), and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.84.3Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a “per DS0 channel” basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.84 Contract Offering No. 84 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.84.3Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term

41.85.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six consecutively assigned DS0 channels configured to provide 384 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39 If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.2 Contract Terms

(A) Contract Offering No. 85 is available during the purchase period, which begins June 9, 2006 and ends December 9, 2006.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 85.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 85, is the initial contract term.

(5) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.2Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

(B) The initial contract term for Contract Offering No. 85 is three (3) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Contract Offering No. 85 will be automatically converted to the applicable monthly renewal rate, found in Section 41.85.3 (B). The Customer may terminate Contract Offering No. 85 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 85 upon thirty (30) days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 85.

(G) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 85 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.85.2(L). The termination charge for Contract Offering No. 85 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.2 Contract Terms (Cont'd)

(A) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 85 terminated, and the termination charges described in Section 41.85.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The Customer may elect to discontinue Contract Offering No. 85 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.85.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 85 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 85, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 85.

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.2 Contract Terms (Cont'd)

A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 85 terminated. If Contract Offering No. 85 is terminated during the initial contract term, the termination charges described in Section 41.85.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.85.1(B),and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.85 Contract Offering No. 85 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.85.3Rate Regulations

(A) Types of Rates and Charges

(1) Nonrecurring charges are one-time charges that apply for specific work activities.

(a) A nonrecurring charge does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A nonrecurring charge applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	Nonrecurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 86 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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41. [1]

[1] See footnote (1) on page 41-797.

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41. [1]

[1] See footnote (1) on page 41-797.

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41. [1]

[1] See footnote (1) on page 41-797.

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[1] See footnote (1) on page 41-797.

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[1] See footnote (1) on page 41-797.

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[1] See footnote (1) on page 41-797.

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41. [1]

[1] See footnote (1) on page 41-797.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.87 Contract Offer No. 87 - DS1 and DS3 Service Offer

41.87.1 General Description

This DS1 and DS3 Service Offer (Contract Offer No. 87) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.87.3 and the Terms and Conditions in Section 41.87.4 to purchase Subject Services in Section 41.87.2 at the discounted rates listed in Section 41.87.5. Subject Services under Contract Offer No. 87 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.87.3(B). Contract Offer No. 87 is available for subscription from June 14, 2006 through July 14, 2006. This Contract Offer is not renewable.

41.87.2 Subject Services

(A) Contract Offer No. 87 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39.5.2.12 - DS3 MegaLink Custom Service; and

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 - DS1 High Capacity Service.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.87.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 87 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.87.2(A);
(B) Subject Services must be located in the Tulsa, OK MSA;
(C) Subject Services ordered pursuant to this Contract Offer must be new;
(D) The Customer must be a current High-Capacity Term Pricing Plan (HC-TPP) customer; and
(E) All traffic must originate or terminate at a Mobile Switching Center (MSC).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.87 Contract Offer No. 87 - DS1 and DS3 Service Offer (Cont'd)

41.87.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be three (3) years, commencing on the date the Telephone Company receives the Letter of Subscription (LOS) from the Customer. This offer is not renewable.

The service term for new DS3 MegaLink Custom Services shall be three (3) years. New DS3 MegaLink Custom Services must be purchased under a three (3) year term payment plan as described in SWBT Tariff F.C.C. No. 73, Section 39. At the expiration of the term payment plan, the DS3 Subject Services shall be converted to the applicable three (3) year term payment plan options as described in Section 39.

The service term for new DS1 High Capacity Services shall be five (5) years. New DS1 High Capacity Services must be purchased under a five (5) year term payment plan as described in SWBT Tariff F.C.C. No. 73, Section 39. At the expiration of the term payment plan, the DS1 Subject Services shall be converted to the applicable five (5) year term payment options as described in Section 39.

Rate stability under Contract Offer No. 87 applies only to the rates specific to this Contract Offer, as outlined in Section 41.87.5 of this Contract Offer. Purchase of the Subject Services listed in Section 41.87.2 of this Contract Offer No. 87 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 rates, Terms or Conditions provided under this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.87 Contract Offer No. 87 - DS1 and DS3 Service Offer (Cont'd)

41.87.4 Terms and Conditions (Cont'd)

(B) Contract Offer No. 87 is available for subscription from June 14, 2006 through July 14, 2006.

(C) The Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) The Customer must submit an Access Service Request to the Telephone Company within sixty (60) days after the Telephone Company receives the Customer's LOS for a minimum of five (5) DS3 MegaLink Custom Services. Failure to submit Access Service Requests for provisioning the minimum requirements within the required interval shall constitute cancellation of the LOS and 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. 87 and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.87.8.

(F) If the Customer requests additional services, features, and functions not included in Section 41.87.5 of this Contract Offer, the Customer will pay the tariff rates for those additions as contained in Section 39 - Metropolitan Statistical Area Access Services.

(G) The Customer shall purchase a maximum of twelve (12) new DS3 MegaLink Custom Services and three hundred and thirty-six (336) new DS1 High Capacity Services subtending the DS3s during this Contract Offer No. 87 Term Period.

(H) All DS1 elements listed in Section 41.87.5 must subtend DS3 MegaLink Custom Services ordered pursuant to this Contract Offer.

(I) The Customer will not be able to combine this Contract Offer with any other promotional, contract offering, or discount plan in conjunction with this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.87 Contract Offer No. 87 - DS1 and DS3 Service Offer (Cont'd)

41.87.5 Rates and Charges

(A) DS3 MegaLink Custom Service Rates and Charges:

The Customer shall pay the following Monthly Recurring Charge (MRC) for each DS3 MegaLink Custom Service rate element ordered pursuant to this Contract Offer listed in Table A, below:

Table A

Rate Element	USOC	Rate
DS3 Interoffice Fixed Mileage	10XLX	$460.00
DS3 Interoffice Variable Mileage (per Mile)	1HXLS	$60.00
DS3 to DS1 Multiplexer	MKM	$440.00

Prevailing tariff Non-Recurring Charges (NRCs) for DS3 service shall apply.

(B) Subtending DS1 Service Rates and Charges:

The Customer shall pay the following MRC for each DS1 High Capacity Service rate element ordered pursuant to this Contract Offer listed in Table B, below:

Table B

Rate Element	USOC	Rate
DS1 Channel Termination	TMECS	$100.00
DS1 Interoffice Variable Mileage (per Mile)	1L5XX	$11.00
DS1 Interoffice Variable Mileage	1L5XX	$39.00

Prevailing tariff NRCs for DS1 service shall apply.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.87 Contract Offer No. 87 - DS1 and DS3 Service Offer (Cont'd)

41.87.6 Termination Liability

Termination liability language, described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 7 and 20. If the Customer discontinues service before the completion of the Service Term and/or terminates this Contract Offer before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.87.3, or the Terms and Conditions in Section 41.87.4.

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:

35% of all MRCs for the balance of the Customer's Term Period for all DS3 and DS1 Subject Services under Contract Offer No. 87.

The termination liability charge shall be calculated as follows:

MRCs multiplied by (Months remaining in billing) multiplied by (Termination percentage of 35%)

Example: Customer with a $1,000 MRC terminates service after one (1) year and has twenty-four (24) months remaining on the three (3) year Term Period. The termination liability would be calculated as:

($1,000 X 24 months) X 35% = $8,400 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.88 Contract Offer No. 88 – ReliaNet Service Offer

41.88.1 General Description

This Contract Offer No. 88 – ReliaNet Service Offer - is a five (5) year access discount pricing plan that provides the Customer with discounted rates for existing ReliaNet Master Access Connections (MAC) Option B, SVO (12) and monthly billing incentive credits for specified ReliaNet, DS1 and DS3 services.

Contract Offer No. 88 is available for subscription June 14, 2006 through July 14, 2006. This Contract Offer is not renewable.

41.88.2 Service Qualifications

(A) This Contract Offer applies to access services that qualify for pricing flexibility (hereafter referred to as Subject Services), as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73:

(1) Section 6.5.1 – Switched Transport Facilities;
(2) Section 7.3.10 – High Capacity Service;
(3) Section 20 – MegaLink Custom Services; and
(4) Section 31.3 – ReliaNet Service.

(B) Subject Services provided under this Contract Offer must be:

(1) Located in the following Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs): Topeka, KS; Wichita, KS.

(2) Existing ReliaNet MAC – Opt. B, SVO (12) services.

41.88.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) The Customer must have at least five (5) existing ReliaNet MAC – Opt. B, SVO (12) in-service in each MSA described in Section 41.88.2(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty (60) months commencing on the date the Telephone Company receives a Letter of Subscription (LOS) from the Customer.

Upon expiration of this Contract Offer, the Subject Services provided under this Contract Offer shall be provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C. No. 73, Section 39.5.2.13(A)(7), unless the Customer:

(1) Selects applicable payment options in SWBT Tariff F.C.C. No. 73, Sections 39.5.2.13; or
(2) Disconnects the Subject Services.

(B) General

(1) Subject Services provided under this Contract Offer are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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 shall continue to be governed by the otherwise applicable tariff sections, except as provided herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering (Section 42), or other discount plan (e.g. MVP).

(4) To subscribe to this Contract Offer, the Customer shall provide the Telephone Company with an LOS.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(1) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(2) If the Customer terminates this Contract Offer, termination liability charges shall apply in accordance with Section 41.88.8.

(3) The Telephone Company shall provide the existing Subject Services described in Section 41.88.2(B) at the rates and charges described in Section 41.88.5. Shared use credits as described in Section 33.3.2(L) will not apply.

(4) The Telephone Company shall allow for the provisioning of DS3 Switched Transport Facilities as described in Section 6.5.1 on the Subject Services listed in Section 41.88.2(B) provided under this Contract Offer.

(C) Billing Incentive Credits (BIC)

The Telephone Company shall provide a monthly Billing Incentive Credit (BIC) to the Customer under this Contract Offer. The BIC shall be based on the sum of the Monthly Recurring Charges (MRCs) for the eligible BIC services on the Customer Service Record (CSR) portion of the bill, less the BIC Threshold, as described herein.

(1) The BIC shall commence October 1, 2006. Services billed prior to commencement shall not be eligible for BIC.

(2) The BIC Threshold shall be $165,000.

(3) The Telephone Company shall provide a report on a monthly basis for the BIC-eligible billing.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.4 Terms and Conditions (Cont'd)

(C) Billing Incentive Credits (BIC) (Cont'd)

(1) For purpose of this Contract Offer, the monthly BIC-eligible billing shall be based on the total MRCs appearing on the CSR portion of the Customer's bill for the following services:

Service	**Applicable USOC**
Section 6.5.1 – Switched Transport Facilities	
Entrance Facility – DS1	EF2BX
Entrance Facility – DS3 Electrical	EF2CX
Entrance Facility – DS3 Optical	EF2DX
Direct-Trunked Transport – DS1	1YTCX
Direct-Trunked Transport – DS3	1YTDX
DS3 to DS1 Multiplexing	MKW3X
Section 7.3.10 – High Capacity Service	
Channel Termination	TMECS
Channel Mileage	1L5XX
Section 20 – MegaLink Custom Service	
DS3 to DS1 Multiplexing	MKM
Section 31.3 – ReliaNet Service	
MAC Opt. B, SVO (12)	N8PBX
AC – Off-Net per DS1 Chan.	NOF14
AC – On-Net (Opt. 1) per DS1 Chan.	NOLXX
AC – On-Net (Opt. 1) per DS1 Chan.	NYAXX
AC – Intra-MAC per DS1 Chan.	NOCXX

(2) The BIC shall be calculated by the 10th of each month, and shall be equal to the difference between the prior month's BIC-eligible billing minus the BIC Threshold, multiplied by thirty (30) percent. The Customer shall not qualify for the BIC with respect to any month for which the BIC Threshold is greater than the BIC-eligible billing. Applicable credits shall be applied to the Customer's bill within sixty (60) days of calculation.

Example: If the monthly BIC eligible billing equals $200,000, then the BIC shall be calculated as:

($200,000 – $165,000) X 30% = $10,500

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.5 Rates and Charges

The following Monthly Recurring Charge (MRC) shall apply to the ReliaNet MAC Opt. B, SVO (12) Subject Services provided under this Contract Offer.

ReliaNet	**Applicable USOC**	**MRC**
MAC Opt. B, SVO (12)	N8PBX	$4,126.88

Any rate element not described herein will be subject to the rates and charges provided in SWBT Tariff F.C.C. No. 73, Section 39.5.2.13.

41.88.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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, shall 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company shall acknowledge such transfer or assignment if the criteria in Section 2.1.2 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) 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 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 "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.88 Contract Offer No. 88 – ReliaNet Service Offer (Cont'd)

41.88.8 Termination Liability

The termination liability language contained below applies in lieu of the termination liability language described in Section 31.3. Termination charges shall become due as of the effective date of the termination.

(A) If the Customer terminates this Contract Offer or is not in compliance with the terms and conditions of this Contract Offer, the Customer shall be liable for a termination charge which shall be equal to $20,634 per month for the balance of the Term Period. The termination charge shall be calculated as $20,634 multiplied by (months remaining in Term Period).

Example: The Contract Offer is terminated after thirty-six (36) months, and has twenty-four (24) months remaining in the Term Period. The termination charge shall be:

$20,634 X 24 = $495,216 Termination Charge

Upon termination of this Contract Offer, the Subject Services shall be subsequently provided under the prevailing applicable monthly extension rates found in Section 39.5.2.13(A)(7).

(B) If the Customer terminates individual Subject Services provided under this Contract Offer during the Term Period, the Customer shall be liable for a termination charge which shall be equal to fifty (50) percent of the MRC for the terminated Subject Services for the balance of the Term Period. The termination charge shall be calculated as (MRC) multiplied by (months remaining in the Term Period) multiplied by 50%.

Example: The MRC equals $4,126.88, and the Subject Service is terminated after thirty-six (36) months and has twenty-four (24) months remaining in the Term Period. The termination charge shall be:

($4,126.88 X 24) X 50% = $49,522.56 Termination Charge

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 89 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-817.

41. [1]

[1] See footnote (1) on page 41-817.

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[1] See footnote (1) on page 41-817.

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[1] See footnote (1) on page 41-817.

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41. [1]

[1] See footnote (1) on page 41-817.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 90 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-823.

41. [1]

[1] See footnote (1) on page 41-823.

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[1] See footnote (1) on page 41-823.

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[1] See footnote (1) on page 41-823.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

41.91.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 91) is an access discount plan that provides Customers with Incentive Discounts and Portability Incentives (as defined in Section 41.91.4) in accordance with the Terms and Conditions as set forth in Section 41.91.3

41.91.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 91 applies to qualified access services contained in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 (Qualified Access Services), listed in Table A, below:

Table A

Service	General Basic Description	Rates and Charges	
MegaLink Data Services	7.3.9	7.3.9(F)	39.5.2.6
High Capacity Service	7.3.10	7.3.10(F)	39.5.2.7
Self-Healing Transport Network (STN)	19.1	19.4	39.5.2.11
MegaLink Custom Service	20.1	20.5	39.5.2.12
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Broadband Circuit Service (BCS)	35.1	35.3	39.5.2.14
(1)	(1)	(1)	(1)
ReliaNet Service	31.3	31.3.3	39.5.2.13
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

(B) When additional Qualified Access Services are added to the services available under SWBT Tariff F.C.C. No. 73, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 91 for the purposes of calculating the Incentive Discounts and Portability Incentives included in this Contract Offer No. 91.

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 91.

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and OCN PTP 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. 91 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.3 WAMS-VIP Offer Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 91:

(A) Eligibility Criteria

(1) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory);

(2) The Customer must have billed recurring revenues for Qualified Access Services to establish a Baseline Minimum Annual Revenue Commitment of $79,932,000 (Baseline MARC) for Qualified Access Services, which includes a Baseline SONET Minimum Annual Revenue Commitment (Baseline SONET MARC) of $45,334,000 for SONET Services and does not include any billed recurring revenues for Qualified Access Services that are part of the Customers MVP commitment;

(3) Incentive Discounts earned by the Customer under this Contract Offer No. 91 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the following Metropolitan Statistical Areas (MSAs) where the Telephone Company has been granted pricing flexibility as listed in SWBT Tariff F.C.C. No. 73, Section 21:

Fayetteville-Springdale, Fort Smith, Little Rock and Memphis, Arkansas; Kansas City, Topeka, Wichita, and Non MSA, Kansas; Kansas City, Springfield, Joplin, St. Joseph, St. Louis, and Non-MSA, Missouri; Lawton, Oklahoma City and Tulsa, Oklahoma; Abilene, Amarillo, Austin/San Marcos, Beaumont, Brownsville/Harlingen, Corpus Christi, Dallas/Fort Worth, El Paso, Houston, Longview/Marshall, Lubbock, McAllen/Edinburg, Midland, San Antonio, Tyler, Waco and Wichita Falls, Texas;

(4) All traffic on the Qualified Access Service(s) must originate or terminate on a wireless carrier's network; and

(5) The Customer must have a minimum MVP revenue MARC of $34,981,000.

(6) The Telephone Company shall waive termination liability pursuant to Contract No. 82 for currently subscribed Customers under Contract No. 82 subscribing to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Revenue commitments are based on billed, recurring charges for the Qualified Access Services, and specifically excludes any non-recurring charges and Incentive Discounts earned under this Contract Offer No. 91;

(2) The Customer must maintain a Baseline Minimum Annual Revenue Commitment of $79,932,000 (Baseline MARC) for Qualified Access Services, which includes a Baseline SONET Minimum Annual Revenue Commitment of $45,334,000 for SONET Services (Baseline SONET MARC);

(3) Contract Offer No. 91 Incentive Discounts and Portability Incentives are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs, except that billed, recurring revenues that are discounted under this Contract Offer No. 91 are not eligible under the Managed Value Plan (MVP) offered in SWBT Tariff F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 91;

(4) The Customer can convert one hundred percent (100%) of their billed, recurring revenues that are discounted under MVP to Contract Offer No. 91 according to the provisions set forth in Section 41.91.4;

(5) Current WAMS-VIP Customers, subscribing to SWBT Tariff F.C.C. No. 73, Section 41.22, can terminate their current Contract Offer No 22 and subscribe to this Contract Offer No. 91 without incurring termination liability charges, provided all Terms and Conditions of this Contract Offer are met;

(6) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 91, but in the event of such rate modifications, no change will be made to the Baseline MARC or the Baseline SONET MARC;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (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. 91;

(8) This Contract Offer No. 91 is available July 13, 2006 through August 13, 2006;

(9) The Customer must meet the criteria described for in Incentive Discounts and Portability Incentives, as provided in Section 41.91.4; and

(10) To subscribe to Contract Offer No. 91, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS shall contain the effective date ("Effective Date") and the Access Customer's Name Abbreviation(s) (ACNA), and must be signed by the Customer and the Telephone Company's representative.

(C) Term Period

The contract term (Term Period) is eighty-four (84) months commencing on the Effective Date. Each twelve (12) month period beginning with the Effective Date shall be a Term Year. At the end of the Term Period, the Incentive Discounts and Portability Incentives provided in this Contract Offer No. 91 shall be discontinued. This offer is not renewable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts

The Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under this Contract Offer No. 91 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC),
Incentive Discount Achievement Credit (IDAC),
Incentive Discount for SONET Services (SONET-ID),
Incentive Discount for WinBack Services (WinBack Incentive), and
Portability Incentive for DS1s and DS3s (Portability Incentive).

(A) Incentive Discount Commitment

In order to qualify for the IDCC, IDAC, SONET-ID and Portability Incentives, the Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year One, the Customer's IDC will equal the Baseline MARC of $79,932,000.

(b) For Term Years Two through Seven the Customer's IDC will be the greater of:

(i) The Achieved Revenue Amount, as defined in Section 41.91.5, from the previous Term Year;

(ii) The IDC from the previous Term Year; or

(iii) The sum of the Achieved Revenue Amount from the previous Term Year plus the Shortfall IDAC Payment, when the Customer makes a Shortfall IDAC Payment, as defined in Section 41.91.4(C)(1)(e).

(2) Application of Incentive Discount Commitment
If, during the Annual True-Up, as defined in Section 41.91.5 (A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC, IDAC, SONET-ID and Portability Incentives for the following Term Year, provided the criteria in Section 41.91.4(B),(C),(D) and (F), respectively, are met.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment (Cont'd)

Example: In Term Year One, the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $90,000,000 and the IDC is $79,932,000. Since the Achieved Revenue Amount exceeds the IDC, the Telephone Company would apply the IDCC, IDAC, SONET-ID and Portability Incentives in Term Year Two, based on the Customer's IDC for Term Year Two of $90,000,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring Qualified Access Services in accordance with SWBT Tariff F.C.C. No. 73, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

For each Term Year, the Customer will be eligible for an "Incentive Discount Commitment Credit" (IDCC) according to Table B, as per sub-section (1) on the following page.

Table B

IDC- Level	IDC Ranges			IDCC
1	$ 79,932,000	up to	$ 87,924,999	$ 879,000
2	$ 87,925,000	up to	$ 96,717,999	$ 1,209,000
3	$ 96,718,000	up to	$ 103,971,999	$ 1,560,000
4	$ 103,972,000	up to	$ 111,769,999	$ 1,956,000
5	$ 111,770,000	up to	$ 120,151,999	$ 2,403,000
6	$ 120,152,000	up to	$ 129,163,999	$ 2,906,000
7	$ 129,164,000	up to	$ 135,621,999	$ 3,391,000
8	$ 135,622,000	up to	$ 142,402,999	$ 3,916,000
9	$ 142,403,000	up to	$ 149,522,999	$ 4,486,000
10	$ 149,523,000	up to	$ 156,999,999	$ 5,102,000
11	$ 157,000,000	up to	$ 160,924,999	$ 5,632,000
12	$ 160,925,000	up to	$ 164,947,999	$ 6,186,000
13	$ 164,948,000	up to	& Higher	$ 8,247,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 41.91.4 (A), as follows:

(i) One-quarter of the IDCC will be applied thirty (30) days in arrears from the end of the First, Second and Third quarters of the Term Year, based on the IDCC determined under Section 41.91.4(B)(1)(b) and 41.91.4(B)(1)(c), below; and

(ii) One-quarter of the IDCC will be applied sixty (60) days in arrears from the end of the Fourth Quarter of the Term Year, as per the Annual True-Up described in Section 41.91.5.

(b) The IDCC applied during the first three (3) quarters of Term Year One shall be based upon IDC-Level 1.

(c) The IDCC applied during the first three (3) quarters for Term Years Two through Seven will be based upon the IDC-Level attained using the IDC established in Section 41.91.4 (A).

(C) Incentive Discount Achievement Credit for Qualified Access Service

For each Term Year, the Customer will be eligible for an Incentive Discount Achievement Credit (IDAC) according to Table C, below.

Table C

IDAC Level	IDAC Range			IDAC
1	$79,932,000	up to	$96,717,999	$ 14,507,800
2	$96,718,000	up to	$111,769,999	$ 17,675,000
3	$111,770,000	up to	$129,163,999	$ 21,027,000
4	$129,164,000	up to	$142,402,999	$ 24,412,000
5	$142,403,000	up to	$156,999,999	$ 26,914,000
6	$157,000,000	up to	$164,947,999	$ 28,966,000
7	$164,948,000	up to	& Higher	$ 29,691,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.80 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit

(a) The Telephone Company will apply the IDAC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDAC per Section 41.91.4(A), as follows:

(i) Half of the IDAC will be applied thirty (30) days in arrears from the end of the First Quarter of the Term Year, and the remaining half of the IDAC will be applied thirty (30) days in arrears from the end of the Second Quarter of the Term Year.

(b) The IDAC applied during the First and Second Quarters of Term Year One shall be based upon IDAC-Level 1.

(c) The IDAC applied during the First and Second Quarters for Term Years Two through Seven will be based upon the IDAC-Level attained using the IDC as established in Section 41.91.4 (A).

(d) The IDAC corresponding to each IDAC-Level will be credited to the Customer as provided below:

(i) The IDAC corresponding to IDAC-Level 1 will be available to the Customer only once during the Term Period;

(ii) The IDAC corresponding to IDAC-Levels 2 through 7 will each be credited to the Customer only once during the Term Period, except when the Customer skips an IDAC-Level from one Term Year to the next Term Year;

(iii) If the Customer has skipped one (1) or more IDAC-Levels from one (1) Term Year to the next Term Year, the Customer will be eligible to receive the IDAC corresponding to the higher IDAC-Level more than once, provided that the Achieved Revenue Amount in the following Term Year remains within the IDAC Range of the higher IDAC-Level;

(iv) The number of times the Customer will be eligible for an IDAC corresponding to a given IDAC-Level shall be equal to the initial application of the IDAC plus the number of skipped IDAC-Levels;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Achievement Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Achievement Credit (Cont'd)

(d) (Cont'd)

(v) The Customer will not be eligible for the IDAC corresponding to a skipped IDAC-Level;

(vi) If the Customer achieves IDAC-Level 7 in any given Term Year, the IDAC corresponding to IDAC-Level 7 will be credited to the Customer in any subsequent Term Year in which the Customer qualifies for IDAC-Level 7.

For example, if at the end of Term Year One, the Customer's Achieved Revenue Amount equaled $130,000,000, the Customer would be eligible for an IDAC commensurate with IDAC-Level 4, skipping IDAC-Levels 2 and 3.

If, at the end of Term Years Two, Three and Four, the Customer's Achieved Revenue Amount is between $130,000,000 and $142,402,999, the Customer would be eligible for the IDAC corresponding to IDAC-Level 4 for each of those three Term Years. The Customer would not be eligible for the IDAC corresponding to IDAC-Level 4 in Term Years Five, Six or Seven.

(e) If the Customer's Achieved Revenue Amount from one Term Year is not sufficient for the Customer to qualify for an IDAC in the following Term Year, the Customer must make a shortfall payment (Shortfall IDAC Payment). The Shortfall IDAC Payment amount would equal the difference between the Achieved Revenue Amount and the minimum value of the IDAC Range for the next IDAC-Level that is still available to the Customer.

(i) The Telephone Company must notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall IDAC Payment amount for the subsequent Term Year.

(ii) The Customer must make the Shortfall IDAC Payment within thirty (30) days after receiving said notification from the Telephone Company.

(i) Upon receipt of the Shortfall IDAC Payment, the Telephone Company will apply the IDAC for the First Quarter of the subsequent Term Year per Section 41.91.4 (C) (1).

(iv) If the Customer does not make the Shortfall IDAC Payment, no IDAC will be applied for the subsequent Term Year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) Incentive Discount for SONET Services

The Customer is eligible for additional Incentive Discounts for SONET Services, "SONET-Incentive Discounts" (SONET-ID) at the end of each Term Year if the Customer's incremental billed, recurring revenues for SONET Services fall within one of the SONET-ID Levels set forth in Table D, below. The SONET-ID Level is the amount of SONET billed recurring revenues in a Term Year above the Baseline SONET MARC ($45,334,000).

Table D

SONET-ID Level	SONET-ID Ranges	SONET-ID Percentage Discount
1	$0 - $ 239,999	0%
2	$240,000 - $ 479,999	10%
3	$480,000 - $ 719-999	11%
4	$720,000 - $ 959,999	12%
5	$960,000- $1,199,999	13%
6	$1,200,000 - $1,439,999	14%
7	$1,440,000 - $1,679,999	15%
8	$1,680,000 or above	16%

The Telephone Company will apply the SONET-ID in the form of a credit to the Customer's bill(s) for Qualified Access Services sixty (60) days in arrears from the end of the Fourth Quarter of the Term Year.

Example:
The Customer has ended a given Term Year of Contract Offer No. 91, and the billed, recurring revenue for SONET Service equals $45,900,000. The SONET-ID for the Term Year is 11%, or $125,450.

$45,900,000 - $45,334,000 = $566,000 (incremental SONET-ID revenue) $566,000 X 11% = $62,260 (SONET-ID)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(E) Incentive Discount for WinBack Services

If the Customer elects to obtain Qualified Access Service(s) located in MSAs where the Telephone Company has been granted pricing flexibility within the Operating Territory, in place of access service(s) that is provided by a carrier other than the Telephone Company or one of its affiliates, the Customer will receive a one-time credit equal to twenty percent (20%) of the first twelve (12) months billed, recurring revenue for that new Qualified Access Service (WinBack Incentive).

This WinBack Incentive credit will be applied in addition to the Incentives described in Sections 41.91.4(B),(C),(D) and (F).

(1) Eligibility Criteria for WinBack Incentive

(a) The Customer must present reasonable and verifiable information, which includes, but is not limited to, circuit detail or coordinated move orders to demonstrate the service being converted is currently being provided by a carrier other than the Telephone Company or its affiliates; and

The new Qualified Access Service(s) ordered must have a minimum term period of twelve (12) months for DS1 and DS3 orders and thirty-six (36) months for SONET services.

(2) Application of WinBack Incentive

(a) The Telephone Company will apply the credit to the Customer's bill(s) for Qualified Access Services that follow the end of the initial twelve (12) month period, thirty (30) days in arrears, as follows:

(i) When the Telephone Company and the Customer have identified the start date for the term period of the WinBack Qualified Access Service in a authorization letter, the initial twelve (12)month period will be the twelve (12) month period commencing on that start date; or

(ii) When the start date for the term period of the WinBack Qualified Access Service is established by the completion of an access service order, the initial twelve (12) month period will be the twelve (12) month period commencing on the day the access service order is completed.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(F) DS1/DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS1 and DS3 Qualified Access Services.

This Portability Incentive is in addition to the Incentives described in Sections 41.91.4(B),(C),(D) and (E).

(1) Eligibility Criteria for DS1/DS3 Portability Incentive

The following criteria must be met in order to receive the Portability Incentive:

(a) The Customer's DS1s and DS3s must meet the Minimum Period requirements, as established under SWBT Tariff F.C.C. No. 73, Section 2.5.4, at the previous location;
(b) The term period of the new circuit must be equal to, or greater than, the remaining term of the disconnected circuit;
(c) The disconnect and new service must be within the Operating Territory; and
(d) Any applicable DS1 Minimum Monthly Revenue Commitment (MMRC) level reductions (disconnect access service order), as established under SWBT Tariff F.C.C. No. 73, Sections 39.4 or Section 7.2, in one MSA, must be offset by an equal MMRC level increase (new access service order) in the new MSA.

(1) Quarterly Review of Disconnect Access Service Orders

If the Customer qualified for the Portability Incentive as set forth in Section 41.91.4 (A)(2), but cumulative "disconnect" access service orders exceeded "add" access service orders during the Term Year, as measured on a quarterly basis, the Customer will be assessed termination liability charges on the sum difference between the cumulative disconnect and add access service orders.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish any Fourth Quarter Incentive credits, adjustments or other payments that apply for the preceding twelve (12) month period, as determined by whether:

(1) The Customer maintained its Baseline MARC and Baseline SONET MARC during that Term Year; and

(2) The Customer earned the IDCC and IDAC received during the First, Second and Third Quarters of the Term Year ("Applied IDCC" and "Applied IDAC", respectively).

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount." The IDCC and/or IDAC earned using the Achieved Revenue Amount, compared to Table B, Section 41.91.4 (B) and Table C, Section 41.91.4 (C) will constitute the "Earned IDCC" and "Earned IDAC."

(B) Annual True-Up Calculations

(1) Baseline MARC Annual True-Up:
The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline MARC.

(a) If the Customer's Achieved Revenue Amount falls below the Baseline MARC, the Customer may pay the difference between the Baseline MARC and the Achieved Revenue Amount (Shortfall Payment).

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall Payment.

(ii) The Customer may make the Shortfall Payment and return the difference between the Applied IDCC and the Earned IDCC, associated with the Baseline MARC, within thirty (30) days after receiving notification from the Telephone Company.

(iii) The following Term Year's IDC and IDCC will be determined as set forth in Section 41.91.4 (A) and (B).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline MARC Annual True-Up: (Cont'd)

(a) (Cont'd)

Example of Baseline MARC Annual True-Up: If the Customer's Achieved Revenue Amount in Term Year Five is $78,000,000, the Baseline MARC of $79,932,000 has not been met. The Customer may choose to pay the difference of $1,652,000 ($79,652,000 - $78,000,000) and repay the difference between the Applied IDCC and the Earned IDCC.

(b) If the Customer's Achieved Revenue Amount falls below the Baseline MARC for any given Term Year, and the Customer does not make the Shortfall Payment, this Contract Offer Subscription shall terminate and termination liability charges will apply, as described in Section 41.91.8(A).

(2) Baseline SONET MARC Annual True-Up: The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline SONET MARC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, but the Baseline SONET MARC is not maintained, the Earned IDCC will be reduced ("IDCC Reduction"), as explained in subparagraphs (i) through (iii), below.

(i) The IDCC Reduction will be calculated by taking the Baseline SONET MARC, less the billed, recurring revenues for SONET Services for the Term Year, and multiplying that amount by ninety-five percent (95%), or (.95).

(ii) The Telephone Company will reduce the amount of the Earned IDCC, to be applied in the fourth quarter, by the IDCC Reduction. If the IDCC Reduction exceeds the value of the Fourth quarter IDCC, the Telephone Company will reduce the Applied IDCC in the subsequent Term Year by the remaining amount of the IDCC Reduction.

(iii) The following Term Year's IDCC will be determined as set forth in Section 41.91.4 (B).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline SONET MARC Annual True-Up: (Cont'd)

(a) (Cont'd)

Example of Baseline SONET MARC Annual True-Up:

If billed, recurring revenue for SONET Service equals $45,000,000, and the Achieved Revenue Amount equals $130,000,000, the IDCC Reduction would equal ((45,334,000 - $45,000,000)x.95)), or $317,300, and the Earned IDCC would be adjusted to $3,073,700 ($3,391,000 - $317,300).

The amount of the Fourth Quarter IDCC would equal $530,450 ($847,750 - $317,300).

(b) If the Baseline SONET MARC is not maintained by the Customer, as a result of SONET rate reductions and/or rate restructures that are directly attributed to actions of the Telephone Company and not attributed to the Customer, the IDCC Reduction will be zero (0).

(3) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will determine the Earned IDCC and the Fourth Quarter credit amount. The Fourth Quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The Customer would receive its Fourth Quarter payment, as set forth in Section 41.91.4(B)(1)(a)(ii).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(3) IDCC Annual True-Up: (Cont'd)

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment"), or the Customer will refund the Applied IDCC to Telephone Company, as detailed below.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(ii) The Customer shall pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The Telephone Company will apply the appropriate IDCC for the Fourth Quarter of the Term Year within thirty (30) days of receiving the Make-Up Payment. The Fourth Quarter credit amount will be the difference between the Earned IDCC and the Applied IDCC. The following Term Year's IDCC will be determined as set forth in Section 41.91.4(B).

(iv) If the Customer chooses not to make the Make-Up Payment, the customer will repay the Applied IDCC. Repayment is due thirty (30) days after notification from the Telephone Company as identified in subparagraph (i) above.

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year Three is $132,000,000, and the IDC is $130,000,000, the Earned IDCC would be $3,391,000. The IDCC applied for the Fourth Quarter would be equal to $3,391,000, less the Applied IDCC received by the Customer for the Term Year, or $847,750.

(4) IDAC Annual True-Up:

(a) For Term Years One through Seven, no Annual True-Up will be performed on the IDAC.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(5) MVP MARC Conversion Option:
To exercise the MVP MARC conversion option, the Customer shall send written notice to the Telephone Company thirty (30) days before the end of Term Years Two through Seven, and no later than six (6) months after MVP contract expiration. This option will not alter the terms or conditions of the MVP contract, including, but not limited to, any terms or conditions related to termination. If the Customer sends the required notice, then:

(a) The Telephone Company shall recalculate the Baseline MARC, IDC, IDC Ranges, IDCCs, IDACs and IDAC Ranges for the Term Years to the end of the Term Period to allow the combined current IDC and the converted MVP MARC to be covered under Contract Offer No. 91, subject to the following terms and conditions:
(i) One hundred percent (100%) of the Customer's current MVP MARC must be included in Contract Offer No. 91;
(ii) The Baseline MARC shall be set equal to one hundred percent (100%) of the MVP MARC, plus $79,932,000; and
(iii) The next Term Year's IDC shall be equal to one hundred percent (100%) of the MVP MARC, plus the IDC calculated in Section 41.91.5(B) (3).

(b) The IDC and IDAC Ranges shall be adjusted according to the following formula:

An MVP Option multiplier ("MVP Option Multiplier") shall be determined, which shall be equal to the ratio of the Combined IDC to the Customer's current IDC. The MVP Option Multiplier shall be applied to the minimum and maximum values of the IDC and IDAC Ranges associated with the IDC, and IDAC-Levels that are available to the Customer at the time of conversion, as defined in Section 41.91.4.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(5) MVP MARC Conversion Option: (Cont'd)

(b) (Cont'd)

Example:
IDC = $120,000,000
Current IDAC Level = 3
IDAC Range Minimum = $111,770,000
IDAC Range Maximum = $129,163,999

MVP MARC Revenue = $35,000,000
Combined IDC = $155,000,000 ($120,000,000 plus $35,000,000)
Option 1 Multiplier = 1.29 ($155,000,000/$120,000,000)
Combined IDAC Range Minimum = $144,183,300 ($111,770,000 multiplied by 1.29)
Combined IDAC Range Maximum = $166,621,559 ($129,163,999 multiplied by 1.29)

The MVP Option Multiplier shall be applied to the IDCC and the IDAC associated with the IDCC and IDAC-Levels, which remains available to the Customer at the time of conversion, to determine the Combined IDCC and IDAC Ranges.

Example:
IDC = $120,000,000
Current IDAC-Level = 3 IDAC = $ 21,027,000

MVP Multiplier = 1.29
Combined IDAC = $27,124,830 ($21,027,000 multiplied by 1.29)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 91 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Sections 2.2.1(B) and (C) are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c), below, or if the assignee or transferee or its parent has commenced, or had initiated against it, a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the securities and exchange commission; or

(b) 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 a rating organization for a possible downgrade; or

(c) 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The Terms and Conditions of Contract Offer No. 91 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in this subsection (i-ii), (Option), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company, within the time period described above, stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date." None of the Options shall alter, in any way, the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including but not limited to, any terms or conditions related to termination.

Option (i): The Customer and Telephone Company shall recalculate the Baseline MARC, Baseline SONET MARC, IDC, IDC Ranges, IDCCs, IDACs and IDAC Ranges (Key Numbers) for the period from the Option Exercise Date to the end of the Term Period to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2)(Cont'd)

Option (i): (Cont'd)

(1)One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of the Customer and the other entity must be included in the Contract Offer Subscription;

(2) The Baseline MARC and Baseline SONET MARC will be adjusted according to the following formula:

(a) The Baseline MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus 79,932,000.This shall be the "Combined Baseline MARC"; and

(b) The Baseline SONET MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services that are SONET services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus $45,334,000. This shall be the Combined Baseline SONET MARC."

(3) The IDC for the remainder of the then-current Term Year will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's actual billed recurring Qualified Access Services revenues for
the three (3) months immediately preceding the Option Exercise Date multiplied by four (4), plus the Customer's current IDC. This shall be the "Combined IDC."

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(4) The IDC and IDAC Ranges will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC, will be applied to the minimum and maximum values of the IDC and IDAC Ranges associated with the IDC and IDAC-Levels that are still available to the Customer, as defined in Section 41.91.4.

Example:
IDC = $135,900,000
Current IDAC Level = 4
IDAC Range Minimum = $129,164,000
IDAC Range Maximum = $142,402,999

New Entity Revenue = $50,000,000
Combined IDC = $185,900,000 ($135,900,000 plus $50,000,000)
Option 1 Multiplier = 1.36 ($185,900,000/$135,900,000)
Combined IDAC Range Minimum = $175,663,040 ($129,164,000 multiplied by 1.36)
Combined IDAC Range Maximum = $193,668,079 ($142,402,999 multiplied by 1.36)

(5) The IDCCs and IDACs amounts will be adjusted according to the following formula:

The Option 1 Multiplier will be applied to the IDCC and the IDAC associated with the IDCC and IDAC-Levels which remain available to the Customer in order to determine the Combined IDCC and IDAC Ranges.

Example:
IDC = $135,900,000
Current IDAC-Level = 4
IDAC = $24,412,000

Option 1 Multiplier = 1.36
Combined IDAC = $33,200,320 ($24,412,000 multiplied by 1.36)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(6) The Customer must have at least forty-eight (48) months remaining in the Term Period under the Contract Offer Subscription or, if less than forty-eight (48) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the Terms and Conditions of the Contract Offer No. 91 remain in effect for forty-eight(48) months after the Option Exercise Date; and

(7) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date, with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, combined Key Numbers will be used to determine applicable IDCC and IDAC credit amounts.

(a) If the Option Exercise Date falls within the First, Second or Third quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Numbers are determined, or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(b) If the Option Exercise Date falls within the Fourth quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDAC will occur thirty (30) days after the Key Numbers are determined, or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii):The Contract Offer Subscription shall be terminated as set forth within Section 41.91.8 (A).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets
If the Customer is required by a regulatory agency to divest any markets, market spectrum or customers ("Divested Market"), in connection with a Transfer, the Customer can request that Key Numbers be recalculated by the Telephone Company. The Customer shall send written notice to the Telephone Company within sixty (60) days of completing a market divestiture. The date the Customer sends that written notice shall be the "Divestiture Notice Date." The Telephone Company will recalculate the Key Numbers as described below:

(1) The Baseline MARC, IDC, IDCC Ranges and IDAC Ranges will be reduced, by either of the following methods, at the Customer's discretion ("Divested Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification, multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a), above.

(2) The Baseline SONET MARC will be reduced, by either of the following methods, at the Customer's discretion ("Divested SONET Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services that are SONET revenues for the three (3) months immediately preceding the notification, multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a), above.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps:

Step 1.
Determine the impact on total revenue by calculating the "Divestiture Percentage." The Divestiture Percentage is the percent change between the Pre-Divest and Post-Divest revenues. The "Pre-Divest Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification, multiplied by four (4), or the Baseline MARC, whichever is greater. The "Post-Divest Revenue" equals Pre-Divest Revenue, minus the Divested Revenue from (B)(1) of this Section.

Example:
Pre-Divest Revenue =$137,900,000
Divested Revenue =$ 12,900,000
Post-Divest Revenue =$135,000,000 ($137,900,000 - $12,900,000)

Divestiture Percentage = 2%
(1-($135,000,000/$137,900,000))

Step 2.
Determine the SONET multiplier that results from the divested SONET revenue by the following:

(a) Determine the "Post-Divest SONET Revenue" amount by subtracting the Divested SONET Revenue, as identified in (B) (2) of this Section, from the Pre-Divest SONET Revenue. The "Pre-Divest SONET Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services that are SONET services for the three (3) months immediately preceding the notification, multiplied by four (4), or the Baseline SONET MARC, whichever is greater.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps:

Step 2. (Cont'd)

(a) (Cont'd)

If the Post-Divest SONET Revenue amount meets or exceeds the Baseline SONET MARC ($45,334,000), the SONET multiplier equals 1.0.

Example:
Pre-Divest SONET Revenue =$47,500,000
Divested SONET Revenue = $ 500,000
Post-Divest SONET Revenue=$47,000,000

(a) If the Post-Divest SONET Revenue amount is less than the Baseline SONET MARC, the ratio of Post-Divest SONET Revenue to Post-Divest Revenue ("Post-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Post-Divest Revenue =$135,000,000
Post-Divest SONET Revenue=$ 42,000,000
Post-Divest Ratio = 3%
($42,000,000/$135,000,000)

(c) If the Post-Divest Ratio is equal to or greater than 23%, the SONET multiplier equals 1.0.

(d) If the Post-Divest Ratio is below 23%, the ratio of Pre-Divest SONET Revenue, as identified in Step 2 (a), to total Pre-Divest Revenue ("Pre-Divest Ratio"), as identified in Step 1, will be determined.

Example:
Pre-Divest Revenue =$137,900,000
Pre-Divest SONET Revenue=$ 47,500,000
Pre-Divest Ratio = 35%
$47,500,000/$137,900,000)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps: (Cont'd)

Step 2. (Cont'd)

(d) A SONET equalizer will be calculated by subtracting the Pre-Divest Ratio from 23% ("SONET Equalizer"). The SONET Equalizer will be added to the Post-Divest Ratio, resulting in a revised Post-Divest Ratio.

Example:
Pre-Divest Ratio = 35%
SONET Equalizer = -12% (23%-35%)
Post-Divest Ratio = 3%
SONET Equalizer= -12%
Revised Post-Divest Ratio = -9%

(e) The following SONET multipliers will be applied based upon the revised Post-Divest Ratio(s):

(i) 23% or greater, a SONET multiplier of 1.0 will be used;

(ii) Less than 23%, but equal to or greater than 20%, a SONET multiplier of 1.25 will be used;

(iii) Less than 20%, but equal to or greater than 10%, a SONET multiplier of 1.50 will be used; or

(iv) Less than 10%, a SONET multiplier of 2.0 will be used.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) The IDCCs and IDACs will be reduced according to the following steps: (Cont'd)

Step 3.

The Divestiture Percentage multiplied by the SONET multiplier will equal the percent reduction in the IDCCs and IDACs which remain available to the customer.

IDCC-Level =5
IDAC-Level =3
Divestiture%=2%
SONET Multiplier = 2.0 (assuming a revised Post-Divest Ratio of -9%)

Reduced IDCC = $2,306,880
($2,403,000 – ($2,403,000 x (.02 X 2.00)))

Reduce IDAC = $20,185,920
($21,027,000 – ($21,027,000 X (.02 X 2.00)))

(4) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Divestiture Notice Date. The recalculated Key Numbers will become effective once the Divested Market's, billed, recurring revenues for Qualified Access Service are no longer being billed to the Customer ("Divestiture Effective Date"). Starting with the remaining quarters of the Term Year as of the Divestiture Effective Date, the recalculated Key Numbers will be used to determine the applicable IDCC and IDAC amounts.

(a) If the Divestiture Effective Date falls within the First, Second or Third quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are effective, or thirty (30) days in arrears of the end of the quarter, whichever is later; or

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(4) (Cont'd)

(b) If the Divestiture Effective Date falls within the Fourth Quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC and/or Reduced IDAC will occur thirty (30) days after the Key Numbers are determined, or sixty (60) days in arrears of the end of the quarter, whichever is later.

41.91.7 WAMS-VIP Cell-Site Performance – Credits

(A) Description

Cell-Site Performance Improvement Credits are available to the Customer based upon the quality of service delivered during the Term Period, as set forth in subparagraph (1), below. The credits will be granted in the event that the Telephone Company's Contract Offer No. 91 service performance level objectives for cell-site DS1 Qualified Access Services are not met.

(1) The DS1 Qualified Access Services cell-site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell-site DS1 circuits are in service during a given month, compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours), plus (28 days, times 110 circuits, times 24 hours), or 148,320. This would be the denominator of the network availability equation.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(A) Description (Cont'd)

(1) (Cont'd)

Example: (Cont'd)

The numerator would be the total hours of outage based upon measured tickets reported to the Telephone Company, subtracted from the 148,320. If there were eight (8) reported failures averaging 3.5 hours per outage, the total hours of outage would be equal to twenty-eight (28). The resulting availability equation for those two (2) months will be ((148,320-28)/148,320, or 99.981%. A twelve (12) month aggregation using the same process as noted for two (2) months will be used to determine annual percent availability for a Customer.

(2) Table E, below, provides cell-site service performance targets, based on DS-1 Percentage of Network Availability, for each Term Year.

Table E

Term Year	% Network Availability
1	99.9830%
2	99.9854%
3	99.9877%
4	99.9900%
5	99.9900%
6	99.9900%
7	99.9900%

(B) At the Annual True-Up, if the Telephone Company annual results fail to meet the performance target, as specified in Table E, above, and the Customer has met the Baseline MARC, the Telephone Company will provide credits and services as follows:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(B)(Cont'd)

(1) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble ticket reported to the Telephone Company during the Term Year for cell-site improvements. The special construction credits will be used to improve performance at mutually agreed upon Customer's cell sites that are performing below the DS-1 Percentage of Network Availability, as specified in Table E in this Section.

For example: special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell-sites; and

(2) The Telephone Company will provide the Customer the ability to purchase Automatic Loop Transfer service at twenty-five percent (25%) discount off the monthly recurring rates described in SWBT Tariff F.C.C. No. 73, Section 39.5.2, for those cell sites that fail to meet the performance target, as specified in Table E, in this Section.

41.91.8 Termination

The Customer's subscription to this Contract Offer No. 91 shall terminate if the Customer gives notice to Telephone Company, as set forth in the following paragraph, and as set forth elsewhere in this Contract Offer No. 91.

The termination liability charges described below shall apply if termination occurs because the Customer does not make a Shortfall Payment as described in Section 41.91.5 (B) (1), and/or the Customer elects to terminate its subscription to Contract Offer No. 91 for reasons other than described in Section 41.91.8(B).

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, written notification must be provided to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.8 Termination (Cont'd)

(A) Termination Liability

Termination liability charges will consist of the sum of the following:

(1) Ten percent (10%) of the Baseline MARC, divided by twelve (12), then multiplied by the number of months remaining in the Term Period; plus
(2) Repayment of the IDCC, IDAC and SONET-ID given under Contract Offer No. 91 during the three (3) quarters preceding the termination date.

Example:

Customer with a Baseline MARC of $79,932,000, and an IDC of $135,806,000, terminates its Contract Offer Subscription after forty-eight (48) months and with thirty-six (36) months remaining in the eighty-four (84) month Term Period, and the Customer received IDCC and IDAC of $2,937,000 and $12,206,000, respectively, for the previous three quarters before termination. The termination liability charges would be:

(($79,932,000/12) X 10% X 36) + ($2,937,000 + $12,206,000) = $39,122,600 termination liability charge.

(B) Rate Reductions

If the tariffed rates for the Qualified Access Services are reduced by a cumulative total of twenty percent (20%) from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the LOS by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

To determine whether the 20% rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Qualified Access Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	TX	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

41. Pricing Flexibility Contract Offerings (Cont'd)

41.91 Contract Offer No. 91 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.91.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

The Telephone Company shall also perform a similar exercise within sixty (60) days following each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis). The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis Comparison

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	1000	$300,000	$200,000	
Total	9600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Qualified Access Service rate elements listed below:

(1) DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed and Channel Mileage (CM) per mile;

(2) DS3 – CT, CM fixed, CM per mile and Multiplexing (MUX); and

(3) SONET – All SONET rate elements for Self-Healing Transport Network (STN), BCS, ReliaNet, [1] and [1] services.

[1] See footnote (1) on page 41-829.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. GigaMAN 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. 92 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-863.

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41. [1]

[1] See footnote (1) on page 41-863.

41. [1]

[1] See footnote (1) on page 41-863.

41. [1]

[1] See footnote (1) on page 41-863.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 93 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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41. [1]

[1] See footnote (1) on page 41-868.

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41. [1]

[1] See footnote (1) on page 41-868.

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41. [1]

[1] See footnote (1) on page 41-868.

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41. [1]

[1] See footnote (1) on page 41-868.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

41.94.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 94) is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, The Southern New England Telephone Company (SNET) Tariff F.C.C. No.39 and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1. Contract Offer No. 94 provides Customers with discounts and incentives (as defined in Section 41.94.6) in accordance with the Terms and Conditions as set forth in Section 41.94.4. (Nx)

To receive discounts under this Contract Offer, the Customer must meet Eligibility Criteria described in Section 41.94.3 and must comply with all Terms and Conditions of this Contract Offer. Contract Offer No. 94 requires eligible Customers to maintain a Baseline Minimum Annual Revenue Commitment (MARC) of $141,600,000, as described in Section 41.94.3(B), following. If during the Annual True-up the Customer’s billed recurring revenue for Qualified Access Services is less than the Baseline MARC, the Customer must remit the Make-up Payment as described in the Annual True-up process set forth in Section 41.94.7. If the Customer does not comply in all material respects with all Terms and Conditions of this Contract Offer No. 94, termination liability charges, in accordance with Section 41.94.10, will apply.

Contract Offer No. 94 will be available for subscription only from July 29, 2006 through August 29, 2006.

(x) Issued under Authority of Special Permission No. 06-028 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 - Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 94 applies to billed recurring revenues for the qualified access services contained in SWBT Tariff F.C.C. No. 73 (Qualified Access Services), listed in Table A, below:

Table A

Service	General Basic Description	Rates and Charges	
MegaLink Data Services	7.3.9	7.3.9(F)	39.5.2.6
High Capacity Service	7.3.10	7.3.10(F)	39.5.2.7
Self-Healing Transport Network (STN)	19.1	19.4	39.5.2.11
MegaLink Custom Service	20.1	20.5	39.5.2.12
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Broadband Circuit Service (BCS)	35.1	35.3	39.5.2.14
(1)	(1)	(1)	(1)
ReliaNet Service	31.3	31.3.3	39.5.2.13
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)

(B) When additional Qualified Access Services are added to the services available under SWBT Tariff F.C.C. No. 73, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 94 for the purposes of calculating the credits and incentives included in this Contract Offer No. 94.

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 94.

(1) Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, and DSRS 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. 94 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.3 WAMS-VIP Offer Eligibility Criteria

The following eligibility criteria must be met to subscribe to Contract Offer No. 94:

(A) Concurrent Subscription

The Customer must concurrently subscribe to Contract Offer No. 94 pursuant to the following tariffs: (Nx)

(1) NBTC Tariff F.C.C. No. 1, Section 23, Contract Offer No. 9;
(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 99;
(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 28; and
(4) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 121. (Nx)

Breach, cancellation or termination of any of these Contract Offers shall constitute a breach, cancellation or termination of all of these Contract Offers.

(B) The Customer must have billed recurring revenues for Qualified Access Services to establish a Baseline Minimum Annual Revenue Commitment (Baseline MARC) of $141,600,000;

(C) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory); and

(D) All Qualified Access Service(s) must originate or terminate on a wireless carrier's network.

(x) Issued under Authority of Special Permission No. 06-028 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.4 WAMS-VIP Offer Terms and Conditions

(A) Revenue commitments are based on billed, recurring charges for the Qualified Access Services and specifically exclude any non-recurring charges, incentives and discounts earned under this Contract Offer No. 94;

(B) The Customer must maintain a Baseline Minimum Annual Revenue Commitment (MARC) of $141,600,000 each Term Year of this Contract Offer No. 94;

(C) The Customer must maintain the Incentive Discount Commitment (IDC), as defined in Section 41.94.6.(A)(1) for Term Years 2 to 5 for Qualified Access Services;

(D) The Customer's Baseline MARC and IDC will include all billed recurring revenue for Qualified Access Services identified in Section 41.94.2, and shall be based on the sum of all of the billed recurring revenues for the Qualified Access Services, including all of the contract offers as described in Section 41.94.3(A);

(E) Incentives and discounts earned by the Customer under this Contract Offer No. 94 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the Metropolitan Statistical Areas (MSAs) where the Telephone Company has been granted pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39;

(F) Contract Offer No. 94 incentives and discounts are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs, except that billed, recurring revenues that are discounted under this Contract Offer No. 94 are not eligible under the Managed Value Plan (MVP) offered in SWBT Tariff F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 94;

(G) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 94, but in the event of such rate modifications, no change will be made to the Baseline MARC or the IDC, except as specified in Section 41.94.7;

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.4 WAMS-VIP Offer Terms and Conditions (Cont'd)

(H) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor and 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. 94;

(I) This Contract Offer No. 94 is available July 29, 2006 through August 29, 2006;

(J) The Customer must meet the criteria described for Incentive Discounts and Portability Incentives, as provided in Section 41.94.6; and

(K) To subscribe to Contract Offer No. 94, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

41.94.5 WAMS-VIP Offer Term Period

The contract term (Term Period) is sixty (60) months commencing on the date the LOS is signed by the Customer . Each twelve month (12) period beginning with the LOS signature date shall be a Term Year. At the end of the Term Period, the discounts and incentives provided in this Contract Offer No. 94 shall be discontinued.

This offer is not renewable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentives

The Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under this Contract Offer No. 94 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC);
Incentive Discount Plus Credit (IDPC); and
Portability Incentive for DS3s (Portability Incentive).

(A) Incentive Discount Commitment
In order to qualify for the IDCC, IDPC and Portability Incentives, the Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year 1, the Customer's IDC will equal the Baseline MARC of $141,600,000, as described in Section 41.94.3(B);

(b) For Term Years 2 through 5, the Customer's IDC will be:

(i) The IDC from the previous Term Year; or

(ii) The IDC may be increased, at the Customer's election, effective with the beginning of the contract Term Year according to the IDC Levels in Table B, based on either the Achieved Revenue Amount, as defined in Section 41.94.7(A) or the Customer's billed recurring revenue for Qualified Access Services during the previous three (3) months times four (4).

(c) The Customer may elect, by providing written notice to the Telephone Company within sixty (60) days of the contract's Term Year end date, to increase the IDC:

(i) The IDC may be increased but never decreased;
(ii) The re-established IDC represents the Customer's IDC for the remainder of the Term Period; and
(iii) The IDC elected by the Customer cannot exceed the higher of the Achieved Revenue amount or the previous three (3) months billed recurring revenue for Qualified Access Services times four (4).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment
If during the Annual True-Up, as defined in Section 41.94.7(A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC, IDPC and Portability Incentives during the following Term Year, provided the criteria in Section 41.94.6(B),(C) and (D), respectively, are met.

Example: In Term Year 1, the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $147,000,000 and the IDC is $141,600,000. Since the Achieved Revenue Amount exceeds the IDC, the Telephone Company would apply the IDCC, IDPC and Portability Incentives in Term Year 2, based on the Customer's IDC for Term Year 2 of $141,600,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring Qualified Access Services in accordance with SWBT Tariff F.C.C. No. 73, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

IDCC shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 41.94.3(A). If qualified for a IDCC, an award of the IDCC under this Contract Offer will satisfy any IDCC obligations of the concurrently subscribed to contract offers as described in Section 41.94.3(A), and an award of IDCC under such other contract offers shall satisfy any IDCC obligations under this Contract Offer No. 94.

The Customer will notify the Telephone Company in writing of the Billing Account Number(s) (BAN) and percentage of the IDCC awarded to be applied to each BAN(s) billing Qualified Access Services for the contract offers subscribed to in Section 41.94.3(A).

For each Term Year, the Customer will be eligible for an Incentive Discount Commitment Credit (IDCC) based on the sum of all billed recurring revenue for Qualified Access Services, including all of the contract offers as described in Section 41.94.3(A), according to Table B, following.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

Table B:

IDC Level	IDC	IDCC
1	$141,600,000	$12,700,000
2	$179,900,000	$19,800,000
3	$194,200,000	$25,300,000
4	$209,800,000	$31,500,000
5	$226,600,000	$36,300,000

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 41.94.6(A)(2),as follows:

(i) One-quarter (1/4) of the IDCC will be applied thirty (30) days in arrears from the end of the 1st and 3rd Quarters of the Term Year based on the IDCC determined under Sections 41.94.6(B)(1)(b)and 41.94.6(B)(1)(c), below;

(ii) One-quarter (1/4) of the IDCC will be applied by the end of the 2nd Quarter, based on the IDCC determined under Sections 41.94.6(B)(1)(b)and 41.94.6(B)(1)(c), below; and

(iii) One-quarter(1/4)of the IDCC will be applied sixty (60) days in arrears from the end of the 4th Quarter of the Term Year, through the Annual True-Up described in Section 41.94.7.

(b) The IDCC applied during the first three (3) quarters of Term Year 1 will be based on IDC Level 1.

(c) The IDCC applied during the first three (3) quarters of Term Years 2 through 5 will be based on the IDC Level established in Section 41.94.6(A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service

IDPC shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 41.94.3(A). If qualified for a IDPC, an award of the IDPC under this Contract Offer will satisfy any IDPC obligations of the concurrently subscribed to contract offers as described in Section 41.94.3(A), and an award of IDPC under such other contract offers shall satisfy any IDPC obligations under this Contract Offer No. 94.

The Customer will notify the Telephone Company in writing of the Billing Account Number(s) (BAN) and percentage of the IDPC awarded to be applied to each BAN(s) billing Qualified Access Services for the contract offers subscribed to in Section 41.94.3(A).

For each Term Year, the Customer will be eligible for an IDPC which applies to non-IDC revenues. Non-IDC revenues are the sum of all recurring revenues associated with the Qualified Access Services, including billed recurring revenues of all of the contract offers as described in Section 41.94.3(A) that exceed the Customer's IDC (which are listed as Levels in Table B) according to the ranges set forth in Table C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service (Cont'd)

Table C:

IDC Level	Band	Non - IDCC Rev Min	Non - IDCC Rev Max	IDPC
1	1	$ 31,600,000	$ 38,299,999	$1,400,000
	2	$ 38,300,000	$ 52,699,999	$3,100,000
	3	$ 52,700,000	$ 68,199,999	$5,700,000
	4	$ 68,200,000	$ 84,999,999	$8,800,000
	5	$ 85,000,000	$ 103,099,999	$12,400,000
	6	$ 103,100,000	$ 122,699,999	$16,700,000
	7	$ 122,700,000	and above	$21,700,000
2	1	$ 7,200,000	$ 14,399,999	$1,700,000
	2	$ 14,400,000	$ 29,899,999	$3,800,000
	3	$ 29,900,000	$ 46,699,999	$6,900,000
	4	$ 46,700,000	$ 64,799,999	$10,600,000
	5	$ 64,800,000	$ 84,399,999	$14,900,000
	6	$ 84,400,000	$ 105,599,999	$20,000,000
	7	$ 105,600,000	and above	$25,700,000
3	1	$ 7,800,000	$ 15,499,999	$2,100,000
	2	$ 15,500,000	$ 32,299,999	$4,600,000
	3	$ 32,300,000	$ 50,499,999	$8,300,000
	4	$ 50,500,000	$ 69,999,999	$12,700,000
	5	$ 70,000,000	$ 91,199,999	$17,700,000
	6	$ 91,200,000	$ 113,999,999	$23,600,000
	7	$ 114,000,000	and above	$30,300,000
4	1	$ 8,400,000	$ 16,799,999	$2,500,000
	2	$ 16,800,000	$ 34,899,999	$5,400,000
	3	$ 34,900,000	$ 54,499,999	$9,800,000
	4	$ 54,500,000	$ 75,599,999	$15,000,000
	5	$ 75,600,000	$ 98,499,999	$20,900,000
	6	$ 98,500,000	$ 123,099,999	$27,700,000
	7	$ 123,100,000	and above	$35,500,000
5	1	$ 9,100,000	$ 18,099,999	$3,000,000
	2	$ 18,100,000	$ 37,699,999	$6,400,000
	3	$ 37,700,000	$ 58,799,999	$11,600,000
	4	$ 58,800,000	$ 81,699,999	$17,600,000
	5	$ 81,700,000	$ 106,299,999	$24,400,000
	6	$ 106,300,000	$ 132,999,999	$32,300,000
	7	$ 133,000,000	and above	$41,300,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Plus Credit

(a) The Telephone Company will apply the IDPC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDPC as provided in Section 41.94.6(C); and

(b) The IDPC corresponding to the IDC Level and IDPC Band will be credited to the Customer's bill sixty (60) days in arrears from the end of the 4th Quarter of the Term Year, through the Annual True-up described in Section 41.94.7.

(D) DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS3 Qualified Access Services.

This Portability Incentive will be applied in addition to the Incentives described in Sections 41.94.6(B) and(C).

(1) Eligibility Criteria for DS3 Portability Incentive

The Customer must meet the following criteria to receive the Portability Incentive:

(a) The Customer's DS3s must meet the Minimum Period requirements, as established under SWBT Tariff F.C.C. No. 73, Section 2.5.4, at the previous location;
(b) The Term Period of each new circuit must be equal to, or greater than, the remaining term of the disconnected circuit; and
(c) The disconnect and new service must be within the Operating Territory.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive (Cont'd)

(2) Quarterly Review of Add and Disconnect Access Service Orders

The Telephone Company will perform quarterly reviews of the quantity of the DS3 "adds" and "disconnects" within the Telephone Company Operating Territory, as described in Section 41.94.3(C), as follows:

(a) If the Customer qualifies for the Portability Incentive as set forth in Section 41.94.6(A) and 41.94.6(D)(1), and the cumulative "add" access service orders exceed cumulative "disconnect" access service orders during the Term Year, as measured on a quarterly basis, the cumulative adds and the cumulative disconnects will carry over quarter to quarter within a Term Year until the number of cumulative disconnects exceeds the cumulative adds;

(b) If the Customer qualifies for the Portability Incentive as set forth in Sections 41.94.6(A) and 41.94.6(D)(1), but cumulative "disconnect" access service orders exceed cumulative "add" access service orders during the Term Year, as measured on a quarterly basis, the Customer will be assessed termination liability charges on the number of circuits by which cumulative disconnect orders, where termination liability charges are applicable, exceed cumulative add orders; or

(c) During the Term Year, if the Customer is assessed termination liability charges as a result of cumulative "disconnect" access service orders exceeding cumulative "add" access service orders in any quarter, as described in 41.94.6(D)(2)(b), above, no cumulative "disconnect" access service orders or cumulative "add" access service orders will carry over to the next quarter within that Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive (Cont'd)

(2) Quarterly Review of Add and Disconnect Access Service Orders (Cont'd)

Example:
During a given Term Year:

If at the end of the 1st Quarter:
DS3 "adds" = 10
DS3 "disconnects" = 3
Quarter Termination Liability = 0 DS3's
(DS3 "adds" are greater than DS3 "disconnects")

If at the end of the 2nd Quarter:
Cumulative DS3 "adds" = 11 (1st qtr 10 plus 2nd qtr 1)
Cumulative DS3 "disconnects"= 12 (1st Qtr 3 plus 2nd Qtr 9)
Quarter Termination Liability = 1 DS3
(Cumulative DS3 "disconnects" are greater than Cumulative DS3 "adds")

Termination Liability assessed based on the last disconnect order provisioned during the 2nd Quarter. The 1st and 2nd Quarter cumulative DS3 "adds" and cumulative DS3 "disconnects" will not accumulate into the 3rd Quarter.

If at the end of the 3rd Quarter:

DS3 "adds" = 2
DS3 "disconnects" = 1
Quarter Termination Liability = 0 DS3's
(DS3 "adds" are greater than DS3 "disconnects")

If at the end of the 4th Quarter:

Cumulative DS3 "adds" = 5 (3rd Qtr 2 plus 4th Qtr 3)
Cumulative DS3 "disconnects" = 3 (3rd Qtr 1 plus 4th Qtr 2)
Quarter Termination Liability = 0 DS3's
(Cumulative DS3 "adds" are greater than Cumulative DS3 "disconnects")

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.7 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish any 4th Quarter Incentive credits, adjustments or other payments that apply for the preceding twelve-month (12) period, as determined by whether:

(1) The Customer maintained its IDC during that Term Year;
(2) The Customer earned the IDCC received during the 1st, 2nd and 3rd Quarters of the Term Year ("Applied IDCC"); and
(3) The Customer qualifies to receive an IDPC.

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount." The IDCC and/or IDPC earned using the Achieved Revenue Amount compared to Table B in Section 41.94.6(B) and Table C in Section 41.94.6(C) will constitute the "Earned IDCC" and "Earned IDPC."

(B) Annual True-Up Calculations

(1) IDC Impact - Divested Market(s):

If the Telephone Company divests or sells any market(s) and if the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced, as a result of the divestiture and/or sale of those market(s), the Telephone Company will recalculate the IDC and IDCC, if requested by the Customer in writing within ninety (90) days of the divestiture and/or sale, according to the following steps below:

Step 1.
Determine the impact on total revenue by calculating the "IDC Impact-Divested Market(s)Percentage." The IDC Impact-Divested Market(s) Percentage is the percent change between the IDC and the Customer's billed recurring revenues for Qualified Access Services that the Telephone Company was required to divest.

Example:
IDC = $141,600,000
Revenue divestiture by the Telephone Company =$10,000,000

IDC minus divestiture amount = $131,600,000

IDC Impact – Divested Market(s) Percentage = 7.07% (1-($132,000,000/$141,600,000))

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) IDC Impact - Divested Market(s): (Cont'd)

Step 2:
The current Term Year's IDC will be adjusted by subtracting the dollar amount of the billed recurring revenues for Qualified Access Services that were divested by the Telephone Company. The IDCC for the current Term Year will be adjusted by the IDC Impact-Divested Markets Percentage and prorated from the time of divestiture.

Step 3:
The Telephone Company will recalculate the IDC(s) which remains available to the Customer (Table B) by subtracting the annualized dollar amount of the billed recurring revenues for Qualified Access Service that was divested by the Telephone Company.

Step 4:
The Telephone Company will recalculate the IDCC(s) which remains available to the Customer (Table B) by the ratio of the reduced IDC to the original IDC for each level.

Example:
Reduced IDC = $131,600,000
($141,600,000 – $10,000,000)

Reduced IDCC = $11,802,110
($12,700,000 – ($12,700,000 x 7.07%)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(2) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the appropriate 4th Quarter IDCC credit. The Customer will receive its 4th Quarter payment, as set forth in Section 41.94.6(B)(1)(a)(iii).

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment"). If the Customer has identified an "IDC Negative Impact," as defined in Subsection (c), following, that amount will be subtracted from the Make-up Payment.

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(i) The Customer will pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The Telephone Company will apply the appropriate IDCC for the 4th Quarter of the Term Year within thirty (30) days of receiving the Make-Up Payment. The following Term Year's IDCC will be determined as set forth in Section 41.94.6(B).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(2) IDCC Annual True-Up: (Cont'd)

(c) The Telephone Company will adjust the Make-up Payment at the Annual True-up, by the amount identified as a "Negative IDC Impact" revenue amount, if the IDC is missed due to the following "Negative IDC Impact" causes:

(i) If the tariff rates for the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced by a percentage that causes the Customer's billed recurring revenues for such Qualified Access Services to fall below the IDC; and/or

(ii) If the Customer terminates Qualified Access Service(s) as a result of one or more Excessive Service Outages, as defined in Section 41.94.10(B), and the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced, as a result of the Excessive Service Outage termination, by a percentage that causes the Customer's billed recurring revenues for such Qualified Access Services to fall below the IDC.

(d) If the Customer chooses not to make the Make-Up Payment, in Section 41.94.7(B)(2)(b)(ii), this Contract Offer shall be terminated and termination liability charges will apply, as described in Section 41.94.10(A).

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year 3 is $143,000,000 and the IDC is $141,600,000, then the IDCC would be $12,700,000. The IDCC applied for the 4th Quarter would be equal to $12,700,000 (which is $3,175,000 X 4) less the Applied IDCC received by the Customer for the Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(3) IDPC Annual True-Up:
The Telephone Company will determine whether the Customer's Achieved Revenue Amount exceeds the IDC.

(a) If the Achieved Revenue Amount exceeds the IDC, the revenue above the IDC will be used to determine the IDPC Band in Table C based on the IDC Level. The IDPC corresponding to the IDC Level and IDPC Band will be credited as per Section 41.94.6.(C), or

(b) If the Achieved Revenue Amount does not exceed the IDC, or if revenue above the IDC does not fall within an IDPC Band, as described in (a), above, no IDPC credit will be applied for the Term Year.

Example of IDPC Annual True-Up:

If the Achieved Revenue Amount for Term Year 1 is $175,000,000 and the IDC is $141,600,000 (IDC Level 1), the revenue above the IDC would equal $33,400,000 ($175,000,000 -$141,600,000). The IDPC applied in the 4th Quarter would be $1,400,000 per IDPC Band 1.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.8 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 94 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Sections 2.2.1(B) and (C) are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c), below, or if the assignee or transferee or its parent has commenced, or had initiated against it, a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the securities and exchange commission; or

(b) 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 a rating organization for a possible downgrade; or

(c) 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The Terms and Conditions of Contract Offer No. 94 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in Subsection Options (i) and (ii) following, within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company, within the time period described above, stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date." None of the Options shall alter in any way the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including, but not limited to, any terms or conditions related to termination.

Option (i): The Customer and the Telephone Company shall recalculate the IDC, IDCC and IDPCs (collectively "Key Numbers") for the period from the Option Exercise Date to the end of the Term Period to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(1) One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of the Customer and the other entity must be included in the Contract Offer Subscription;

(2) The IDC will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus the actual IDC at the time of merger. This shall be the "Combined IDC," and

(3) The IDC and IDCC amounts will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC and IDCC, will be applied to the values of the IDC and IDCC associated with the IDC and IDCC Levels that are still available to the Customer, as defined in Section 41.94.6.

Example:
IDC = $141,600,000
Current IDC Level = 1
IDCC = $12,700,000

New Entity Revenue = $33,400,000
Combined IDC = $175,000,000
($141,600,000 plus $33,400,000)

Option 1 Multiplier = 1.24
($175,000,000/$141,600,000)
Combined IDCC = $15,748,000
($12,700,000 multiplied by 1.24)

(4) The IDPC Bands, IDPC ranges and IDPC amounts will be adjusted using the Option 1 Multiplier.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(5) The Customer must have at least thirty-six (36) months remaining in the Term Period under the Contract Offer Subscription, or if less than thirty-six (36) months are remaining in the Term Period under this Contract Offer Subscription, the Term Period shall be automatically extended so that the Terms and Conditions of the Contract Offer No. 94 remain in effect for thirty-six (36) months after the Option Exercise Date; and

(6) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date, with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, combined Key Numbers will be used to determine applicable IDCC and IDPC credit amounts.

(a) If the Option Exercise Date falls within the 1st, 2nd or 3rd Quarters of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined, or thirty (30) days in arrears of the end of the Quarter, whichever is later; or

(b) If the Option Exercise Date falls within the 4th Quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDPC will occur thirty (30) days after the Key Number are determined, or sixty (60) days in arrears of the end of the Quarter, whichever is later.

Option (ii):
The Contract Offer Subscription shall be terminated as set forth within Section 41.94.10(A).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.9 WAMS-VIP Performance – Credits

(A) Cell Site Performance

Cell site Performance Improvement Credits may be available to the Customer based on the quality of service delivered during the Term Period, as set forth in Subparagraph (2), following. The credits will be granted in the event that the Telephone Company's Contract Offer No. 94 service performance level objectives for cell site DS1 Qualified Access Services are not met.

For Term Year 1, the Telephone Company will apply a maximum of $600,000 in special construction credits to improve performance at mutually agreed cell sites that are performing below the DS1 Percentage of 99.9775% Network Availability. The special construction credits will not exceed $600,000 for the sum of all mutually agreed cell sites in all of the Contract Offers, as described in Section 41.94.3(A). This special construction credit will be available until Term Year 1 Annual True-Up.

(1) The DS1 Qualified Access Services cell site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell site DS1 circuits are in service during the Term Year compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours) plus (28 days, times 110 circuits, times 24 hours), or 148,320. This would be the denominator of the network availability equation.

The numerator would be the total hours of outage based on measured trouble found tickets reported to the Telephone Company, subtracted from the 148,320. If there were eight (8) reported failures totaling twenty-eight (28) hours of outage time, the resulting availability for those two (2) months will be equal to ((148,320-28)/148,320), or 99.981 percent.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.9 WAMS-VIP Performance – Credits (Cont'd)

(A) Cell Site Performance (Cont'd)

(2) Table D, below, provides cell site service performance targets, based on DS1 Percentage of Network Availability, for each Term Year.

Table D

Term Year	% Network Availability
1	99.9775%
2	99.9835%
3	99.9900%
4	99.9900%
5	99.9900%

(3) At the Annual True-Up, if the Telephone Company's annual results fail to meet the performance target for the Term Year, as specified in Table D, above, and the Customer has met the IDC, the Telephone Company will provide credits for products and services as follows:

(i) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble found ticket reported to the Telephone Company during the Term Year for cell site improvements. The special construction credits will be used to improve performance at mutually agreed cell sites that are performing below the DS1 Percentage of Network Availability as specified in Table D, above; and

(ii) The special construction credits will be available for nine (9) months following the Annual True-Up in any Term Year in which the Telephone Company failed to meet the performance target.

Example: Special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell sites.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 - Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.9 WAMS-VIP Performance - Credits (Cont'd)

(B) SONET Performance

SONET Performance incentives and credits are available to the Customer based on the services delivered and the quality of the services delivered to the Customer during the Term Period:

(1) If the Customer orders [1] from the Telephone Company, the Telephone Company will provide [1] by placing an additional [1] at one (1) Customer premise (designated by the Customer), at no charge to the Customer; and

(2) If within thirty (30) days after a new Self-Healing Transport Network (STN) and/or [1] network acceptance by the Customer, the new STN and/or [1] network experiences a failure due to installation or testing and the failure is caused by Telephone Company error or negligence the Telephone Company will waive the monthly billing of the service for three (3) months.

[1] See footnote (1) on page 41-874.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.10 Termination

The Customer's subscription to this Contract Offer No. 94 shall terminate if the Customer elects to terminate this Contract Offer No. 94, or if the Customer materially breaches this Contract Offer, or any tariff governing any Qualifying Service provided pursuant to this Contract Offer No. 94, except as expressly provided to the contrary herein.

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, the Customer must provide written notification to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

(A) Termination Liability

Termination charges will be calculated as the percentage of all discounts given up to the time of termination as listed in Table E, below.

Table E:

Months	Termination Liability %
1 to 12	120%
13 to 24	75%
25 to 36	50%
37 to 48	25%
49 to 60	10%

Example:

The Customer terminates its Contract Offer Subscription after twenty-four (24) months, and the Customer received an IDCC of $25,400,000 for the previous twenty-four (24) months. The termination liability charges would be:

$25,400,000 X 75% = $19,050,000 termination liability charges.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.10 Termination (Cont'd)

(B) Excessive Service Outage Termination

An Excessive Service Outage occurs when the Customer's [1], or any self-healing ring-based Qualified Access Service experiences simultaneous equipment service interruptions of both the working and protection path of the network, and the service interruptions have not been excepted from treatment for a credit allowance under SWBT Tariff F.C.C. No. 73, Section 2.

(1) An Excessive Service Outage remedy will be available to the Customer if any of the following conditions apply:

(a) If, during any consecutive six (6) month period, there are more than two (2) Excessive Service Outages on an individual [1];

(b) If, during any consecutive twelve (12) month period, there are more than three (3) Excessive Service Outages on an individual [1]; and/or

(c) If Excessive Service Outages reach a cumulative total of twelve (12) hours in any period of thirty (30) consecutive calendar days on an individual [1].

[1] See footnote (1) on page 41-874.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.94 Contract Offer No. 94 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

41.94.10 Termination (Cont'd)

(B) Excessive Service Outage Termination (Cont'd)

(2) If an Excessive Service Outage occurs, the Customer shall have one of the following Excessive Service Outage remedies. The Customer shall elect one of these remedies within sixty (60) days after the end of the Excessive Service Outage, as defined in Section 41.94.10(B)(1), by providing written notice to the Telephone Company:

(a) All underlying tariff remedies for the outage will apply for each Excessive Service Outage with no monthly limitations;

(b) Any failed equipment that is responsible for an Excessive Service Outage will be replaced, at no charge to the Customer, and with no change in the Customer's Term Period; or

(c) The Customer may terminate its subscription to the [1] service which incurred the outage(s) without incurring termination liability charges, if applicable, by providing written notice to the Telephone Company. Termination will be effective within two hundred and forty (240) calendar days following delivery of written notice to the Telephone Company.

[1] See footnote (1) on page 41-874.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer

41.95.1 General Description

The DS1 and DS3 Service Offer (Contract Offer No. 95) is an access discount plan that requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) during the Term Period. Contract Offer No. 95 is available to any Customer who commits to a MARC of at least $10M. The qualified access services eligible under this Contract Offer are listed in Section 41.95.2. To receive discounts under this Contract Offer, the Customer must meet the Eligibility Criteria described in Section 41.95.3, and must comply with all Terms and Conditions described in Section 41.95.4 of this Contract Offer.

Contract Offer No. 95 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the Term Period, as defined in Section 41.95.5 (A). The MARC shall include all Subject Services provided by the Telephone Company purchased in the eligible Metropolitan Statistical Areas (MSAs) listed in Section 41.95.3 (A).

If, upon any MARC achievement review, the Customer’s recurring revenue from Subject Services is less than the applicable MARC, the Customer must remit a shortfall payment via the Monthly True-Up Process set forth in Section 41.95.5 (C). If the Customer does not comply with all Terms and Conditions of this Contract Offer in all material respects, termination liability charges, in accordance with Section 41.95.10, will apply.

Contract Offer No. 95 will be available for subscription from August 29, 2006 through September 29, 2006. This offer is not renewable.

41.95.2 Subject Services

Discounts and portability provided under Contract Offer No. 95 apply to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

Subject Service	**Description /Rate Regulation**	**Phase I MSA Rates and Charges**	**Phase II MSA Rates and Charges**
High Capacity (DS1) Service	7.3.10	7.3.10(F)	39.5.2.7 (N)
MegaLink Customer (DS3) Service	20.1, 20.4	20.5	39.5.2.12

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, Terms and Conditions of this Contract Offer shall prevail.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.3 Eligibility Criteria

The following Eligibility Criteria must be met to subscribe to Contract Offer No. 95:

(A) Contract Offer No. 95 is available only for services located in the following Metropolitan Statistical Areas (MSAs) as described herein:

(1) Portability and discounts provided in Sections 41.95.6 and 41.95.7 of this Contract Offer shall apply to all Channel Terminations, Interoffice (Channel) Mileage – Fixed and Per Mile, and Multiplexers associated with Subject Services, including Channel Terminations between the Telephone Company's end office and an end user premises (End User Channel Terminations), in the following MSAs: Fayetteville, Fort Smith, Little Rock, Memphis, AR; Kansas City, KS-MO; Topeka, Wichita, KS; Joplin, Springfield, St. Joseph, St. Louis, MO; Lawton, Oklahoma City, Tulsa, OK; Abilene, Amarillo, Austin-San Marcos, Corpus Christi, Dallas-Fort Worth, Houston, Longview-Marshall, Lubbock, Midland, San Antonio, Waco, Wichita Falls, TX.

(2) Portability and discounts provided in Sections 41.95.6 and 41.95.7 of this Contract Offer shall apply to Channel Terminations, Interoffice (Channel) Mileage - Fixed and Per Mile, and Multiplexers associated with Subject Services, except for End User Channel Terminations, in the following MSAs:

Non-MSA, KS; Non-MSA, MO; Beaumont, Brownsville-Harlingen, El Paso, McAllen-Edinburg, and Tyler, TX.

(3) If the Telephone Company is granted additional pricing flexibility relief, revenue generated from services in the new relief areas will be included in the MARC Recalculation to Adjust the MARC Due to Pricing Flexibility Relief as described in Section 41.95.5(A)(3).

(B) The Customer must have at least $10 million in annual revenue from existing Subject Services, as listed in Section 41.95.2

41.95.4 Terms and Conditions

(A) Subscription
To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must be submitted during the contract availability period.

The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer. Additional ACNAs may not be included by the Customer after subscription to the Contract Offer.

(B) Term Period
The term of this Contract Offer (Term Period) shall be thirty-six (36) months, commencing on the date the Telephone Company receives the Letter of Subscription (LOS) from the Customer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.4 Terms and Conditions (Cont'd)

(C) Discount

Subject Services must be purchased subject to three (3) year term payment plans, or must be converted to three (3) year term payment plans in order to receive discounts pursuant to this Contract Offer. Upon expiration of the Term Period of this Contract Offer, Subject Services will be provided according to the rates, terms and conditions of the applicable term payment plan.

(D) Rate Stability

Rate stability during the Term Period applies only to the rates specific to Contract Offer No. 95, as listed in Section 41.95.7. Subject Services are also subject to certain rates, charges, and general terms and conditions in other sections of Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, including Sections 2-General Regulations, 5-Ordering for Access Service, 7-Special Access Services, 13-Additional Engineering, Additional Labor & Miscellaneous Services, and 20-MegaLink Customer Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(E) Contract Termination

If the Customer terminates this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.95.10(A).

If the Telephone Company determines that the Customer has failed to comply with any of the Terms and Conditions of this Contract Offer, the Telephone Company will notify the Customer in writing. The Customer will have thirty (30) days to return to compliance. Failure to comply within thirty (30) days will constitute a default by the Customer, and the Telephone Company shall terminate this Contract Offer. In the event of such termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.95.10 (A).

(F) The Customer may not combine this Contract Offer with any contract, promotional or discount offer.

(G) The Customer must pay billed charges in full during the Term Period. If the Customer fails to remain current on payment of all billed charges, the Customer will have thirty (30) business days from receipt of the written notice from the Telephone Company to comply. If the Customer does not comply, the Telephone Company shall terminate the Customer's subscription to this Contract Offer. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.95.10, will apply. Credits will not be issued until the Customer has paid all billed charges.

(H) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.7, is not permitted.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.4 Terms and Conditions (Cont'd)

(I) Access Service Ratio

During the Term Period, the Customer must maintain an Access Service Ratio of 95 percent or greater, calculated as described below. To remain in compliance with the Contract Offer, the ratio must be greater than, or equal to, 95 percent on each anniversary date of the Contract Offer.

The ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' interstate recurring billed revenue associated with the rate elements defined in Table A:

TABLE A:

Service	General/Basic Description
DS1 and DS3 Services	7.3.10, 20.1
(1)	(1)
(1)	(1)

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table B on the following page, not included in the interstate tariff(s).

(1) Material previously contained in this section has been deleted. OCN PTP and DSRS 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. 95 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.4 Terms and Conditions (Cont'd)

(I) Access Service Ratio (Cont'd)

Table B

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	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/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	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 Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 - DS1 and DS3 Service Offer (Cont'd)

41.95.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment and Calculation of the MARC

(1) Year 1 MARC Calculation

Pursuant to this Contract Offer, the Customer must establish and maintain a Minimum Annual Revenue Commitment (MARC). The Customer's Year 1 MARC will be calculated and established thirty (30) days after the Customer has subscribed to this Contract Offer, and shall be the greater of: (i) $10 million, or (ii) the current monthly recurring revenue billed for Channel Terminations, Interoffice (Channel) Mileage - Fixed and Per Mile, and Multiplexers for DS1 and DS3 Services, multiplied by twelve, pursuant to Section 41.95.3 (A).

Example for MARC Establishment

At the time of the calculation, the Customer's actual monthly recurring billed revenue for Subject Services is $800,000. The monthly recurring billed revenue multiplied by twelve would be $9,600,000, calculated as ($800,000 X 12). The Year 1 MARC would be $10,000,000, because $10,000,000 is greater than $9,600,000.

(2) Years 2 and 3 MARC Calculations

The MARC for Years 2 and 3 will be recalculated at each
annual contract anniversary date as follows:

The Recalculated MARC will be determined by multiplying the total of the prior three (3) months recurring revenue for all Subject Services by four (4). If the Recalculated MARC is greater than the previous year's MARC, the newly Recalculated MARC will apply during the next year. If the Recalculated MARC is less than the previous year's MARC, the previous year's MARC will continue to apply during the next year.

Example for Year 2 MARC Establishment:

The Customer's Year 1 MARC is $10,000,000. The Customer's prior three (3) months recurring revenue is $2,000,000. The monthly recurring revenue multiplied by four (4) is $8,000,000. In this example, the Year 1 MARC of $10,000,000 will continue to apply during Year 2, because the Recalculated MARC is less than the Year 1 MARC ($8,000,000 < $10,000,000).

If the value is less than the Year 1 MARC, then the Year 1 MARC will be used for Year 2.

(3) MARC Recalculation Due to Pricing Flexibility Relief

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not noted in Section 41.95.3(A), current monthly recurring revenue from Subject Services in the additional relief areas will be multiplied by twelve (12) and added to the MARC, to the extent they are not already included in the existing calculation, to establish the Recalculated MARC at the next Monthly True-up Process but no later than thirty (30) days after the pricing flexibility relief is granted.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Determine Achievement of the MARC

Achievement of the MARC shall be determined according to the recurring revenue for Channel Terminations, Interoffice (Channel) Mileage - Fixed and Per Mile, and Multiplexers from Subject Services in the same manner in which the MARC was established, as billed by the Telephone Company. Recurring revenue from Subject Services shall include Subject Services to which the Customer subscribes as of the commencement of the Term Period and/or purchases during the Term Period. To be included in the Calculations to Determine Achievement of the MARC, all recurring revenue must be billed under the ACNAs provided by the Customer upon subscription to this Contract Offer.

(C) Monthly True-up Process

Within forty-five (45) days of the close of each month in the Term Period, the Telephone Company will review the recurring revenue from Subject Services to determine achievement of the MARC. Achievement of the prorated year-to-date MARC for each month will be calculated using the following percentages applied to the MARC for each Contract Year:

Month	% of MARC	Recurring Revenue to be Reviewed
1st	8.3%	1st month of the Contract year
2nd	16.6%	1st two months of the Contract year
3rd	25.0%	1st three months of the Contract year
4th	33.3%	1st four months of the Contract year
5th	41.6%	1st five months of the Contract year
6th	50.0%	1st six months of the Contract year
7th	58.3%	1st seven months of the Contract year
8th	66.6%	1st eight months of the Contract year
9th	75.0%	1st nine months of the Contract year
10th	83.3%	1st ten months of the Contract year
11th	91.6%	1st eleven months of the Contract year
12th	100.0%	All twelve months of the Contract year

The first Month of Year 1 of this Contract Offer will begin on the first day of the month immediately following the Customer's subscription to this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Monthly True-up Process (Cont'd)

(1) If, upon any Monthly True-up Process, the Customer's recurring revenue from Subject Services is less than the applicable MARC, equally prorated on a monthly basis to reflect the year-to-date MARC, the Customer must submit a true-up payment equal to the difference between the prorated year-to-date MARC and the recurring revenue from Subject Services for the period under review.

(a) Net Credit Option

If the Customer's recurring revenue from Subject Services is within 10 percent of the applicable MARC, the Customer may elect to request the Telephone Company subtract the amount of the true-up payment from the amount of the credit to be issued in lieu of submitting a true-up payment. The Telephone Company must provide written notification to the Customer within three (3) business days of the Monthly True-up Process that this option is available. The Customer must provide written notification of its election within three (3) business days of receipt of notification from the Telephone Company.

Example: The Customer's prorated year-to-date MARC is $845,000 and the Customer's actual recurring revenue for the period under review is $775,000, the Customer has the right to elect the Net Credit Option because $775,000 is within 10 percent of $845,000 ($845,000 * (1-.10) = $760,500). In this example, the Telephone Company will notify the Customer that a $70,000 true-up payment is required. If the Customer submits a true-up payment, a credit of $152,100 is due. However, if the Customer elects the Net Credit Option, a credit of $82,100 is due.

(b) The Customer may elect the Net Credit Option for no more than two (2) Monthly True-Up Processes in a contract year and for no more than six (6) Monthly True-Up Processes during the Term Period.

(2) Any true-up payment(s) made by the Customer and/or subtracted from credits issued per the Net Credit Option during a contract year will be included in Calculations to Determine Achievement of the MARC, as described in Section 41.95.5 (B), preceding, and in determining the amount of any applicable true-up payment.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Monthly True-up Process (Cont'd)

(3) If, at the end of each contract year, the Customer has exceeded the MARC and has made true-up payments during the contract year under review, the Telephone Company will provide a credit to the Customer for the amount that exceeds the MARC, but not greater than the total true-up payments submitted by the Customer in that contract anniversary year.

Example of the 1st Month True-up:

The MARC for Year 1 is $10 million, and the recurring revenue for Subject Services during the 1st Month is $850,000. In this example, the Customer has met the pro-rated year-to-date MARC, and a true-up payment is not required as calculated below:

1st Month Year-to-Date MARC($10 million x 8.3%)	$830,000
Recurring revenue for the 1st month of the Contract Year	($850,000)
True-up Payment Due for the 1st Month	n/a

Example of the 2nd Month True-up:

The MARC for Year 1 is $10 million, the total recurring revenue for Subject Services during the first two months is $1,600,000, and the Customer did not submit a true-up payment at the end of the 1st month. In this example, the Customer must submit a true-up payment of $60,000 for the 2nd month, as calculated below:

2nd Month Year-to-Date MARC($10 million x 16.6%)	$1,660,000
Recurring revenue for the 1st two months of the Contract Year	($1,600,000)
True-up payments submitted during the Contract Year	($0)
True-up Payment Due for the 2nd Month	$60,000

Example of the End of Contact Year True-up:
The MARC for Year 1 is $10 million and total recurring revenue for the first Contract Year is $10.5 million. The Customer submitted true-up payments during the Contract Year of $60,000. In this example, the Customer would have met the Year 1 MARC as calculated below, and will be due a credit of $60,000 for true-up payments submitted during the Contract Year in excess of the MARC.

1st Year MARC ($10 million x 100%)	$10,000,000
Recurring revenue for the Contract Year	($10,500,000)
True-up payments submitted during the Contract Year	($60,000)
True-up Payment made in excess of the MARC	($60,000)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If, in any month, the Customer does not meet the pro-rated year-to-date MARC based on the Calculations to Determine Achievement of the MARC, any discounts or credits due, as described in Sections 41.95.6 or 41.95.7, will be withheld until the Customer submits a true-up payment or elects the Net Credit Option as required by Section 41.95.5 (C).

41.95.6 Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves and/or disconnects of 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 monthly basis.

(A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer.

(A) DS1 and DS3 Subject Services
For any DS1 or DS3 Subject Services to be eligible for portability, the Subject Service must have been in service for at least one (1) year, including any in-service time prior to the commencement of the Term Period.

41.95.7 Rates and Discounts

(A) MARC Discounts
The Customer will receive an 18 percent discount on Monthly Recurring Revenue, up to the then-applicable MARC, for Channel Terminations, Interoffice (Channel) Mileage, and Multiplexers associated with DS1 and DS3 Subject Services provided under this Contract Offer within sixty (60) days of the close of the contract month.

(B) Above the MARC Discounts
The Customer will receive discounts for Monthly Recurring Revenue in excess of the then-applicable MARC according to the following schedule:

Revenue Above the MARC	**Credit**
$225,000 - $499,999	3%
$500,000 - $ 999,999	4%
$1,000,000 - $1,999,999	5%
$2,000,000 - $2,999,999	6%
$3,000,000 - $3,999,999	7%
$4,000,000+	8%

The credit will be applied to the amount of revenue above the MARC only, excluding any true-up payments submitted and credited back, at the end of each contract year.

Example: If the Customer's MARC is $10M and the actual recurring revenue for the Contract Year is $13M, and the Customer submitted true-up payments during the Contract Year of $60,000 which were credited back, the Customer will receive a one-time credit of $210,000 calculated as ($13M-$10M) X 7 percent.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.7 Rates and Discounts (Cont'd)

(C) Non-Recurring Charges

The Telephone Company will waive installation Non-Recurring Charges (NRCs) associated with the purchase of new DS1 and DS3 services under this Contract Offer. In the event installation NRCs are charged, the Telephone Company will credit those charges to the Customer monthly. Access Order, Special Construction, Expedite, and Additional Labor charges will apply, where applicable.

41.95.8 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 95 pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of SWBT Tariff F.C.C. No. 73, Section 2.2.1, provided that the proposed assignee or transferee commits, in writing, within ninety (90) days of the proposed assignment and transfer, to fulfill the Customer's MARC obligation under this Contract Offer, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company 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 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 "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.9 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 95 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be eligible for inclusion in this Contract Offer, nor used in Calculations of the MARC discussed in Section 41.95.5(A), or Calculations to Determine Achievement of the MARC discussed in Section 41.95.5(B). The Customer will be eligible to adjust the MARC for revenue already under this Contract Offer, as permitted by the provision in this subsection.

The Customer shall have the right to adjust the MARC downward by 10 percent or 15 percent as a result of a merger or acquisition. This adjustment can only be made one (1) time during the Term Period, anytime after the first twelve (12) months of subscription to this Contract Offer. If the Customer elects this option, reduced discounts will apply for the remainder of the Term Period. This one time option must be exercised in accordance with the criteria established below:

(A) This option may be used only once during the Term Period.

(B) The option must be exercised within ninety (90) days of the Transaction Close Date of the merger or acquisition.

(C) The Customer must notify the Telephone Company in writing of its intent to exercise this option and must supply documentation to substantiate the Transaction Close Date.

(D) The other company involved in the merger or acquisition must have annual recurring revenue from Subject Services equal to at least 50 percent of the Customer's existing MARC billed by the Telephone Company. For example, if the Customer's existing MARC is $10 million, the other company involved in the merger or acquisition must have at least $5 million in annual recurring revenue from Subject Services billed by the Telephone Company.

(E) The Customer must have met the prorated year-to-date MARC as determined during the most recent Monthly True-up Process, and must have achieved the MARC in the previous Contract Year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.9 Mergers and Acquisitions (Cont'd)

(A) This option is only available during Year 2 or Year 3 of the Term Period. This option may not be used to adjust the Year 1 MARC.

(B) The adjusted MARC will be applicable to the current Contract Year. If the Customer elects this option in Year 2 of the Term Period, Calculations of the MARC, as described in Section 41.95.5(A), will be used to determine the MARC for Year 3.

(C) Reduced discounts according to the schedule below will apply for the remainder of the Term Period in lieu of the discounts described in Section, 41.95.7 (A). Additionally, discounts previously provided during the Contract Year will be re-rated to reflect the reduced discount level for the entire Contract Year.

MARC Reduction Amount	10%	15%
Adjusted MARC Discount	8.75%	3.5%

Example: If the Customer's MARC for Year 2 is $10,000,000, and in the third month of Year 2, the Customer elects to exercise the MARC adjustment option and adjust the MARC downward by 15 percent, the Customer's new MARC for Year 2 will be $8,500,000.

The Customer's discounts for Year 2 will be recalculated to reflect levels as set forth above, and would not exceed $297,500 for Year 2 ($8.5M x 3.5%). Any discounts that have been applied to the Customer's bill during Year 2 in excess of $297,500 will be back-billed. The discount amount for Year 3 is also 3.5 percent, as set forth above.

(D) If discount amounts applied to the Customer's bill are in excess of the discount due for the Monthly True-Up Process under review, additional discounts will not be applied to the Customer's bill until the discount due, based on the Monthly True-Up Process, exceeds the amount of discounts already applied to the Customer's bill.

(E) If the Customer elects this option, Above the MARC discounts, described in Section 41.95.7(B), are no longer applicable.

(F) Revenue from the other company involved in the merger or acquisition can not be used to meet the adjusted MARC.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.10 Termination Liability

(A) Contract Termination Liability Charge

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, the Customer must pay the Telephone Company termination liability charges as described below. If the Customer elects to terminate this Contract Offer, the Customer must provide written notification to the Telephone Company within ninety (90) days of the planned contract termination date.

Termination liability charges will also apply if the Customer is not in compliance with any of the Terms and Conditions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of this Contract Offer, and are payable according to the following schedule,

100 percent of all discounts and credits under this Contract Offer for the six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 10 percent of the MARC for the remaining portion of Year 1, plus 10 percent of the MARC for the remaining years of the Term Period.

(2) If terminated in Year 2, 12.5 percent of the Year 2 MARC for the remaining portion of Year 2, plus 12.5 percent of the Year 2 MARC for the remaining years of the Term Period.

(3) If terminated in Year 3, 12.5 percent of the Year 3 MARC for the remaining portion of Year 3.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.95 Contract Offer No. 95 – DS1 and DS3 Service Offer (Cont'd)

41.95.10 Termination Liability (Cont'd)

(A) Contract Termination Liability Charge (Cont'd)

Example:

The Customer requests termination of the Contract Offer after twenty (20) months with sixteen (16) months remaining in the Term Period. The Customer's MARC for the second year of the Term Period is $12 million. The Customer received $500,000 in combined credits and discounts in the six (6) months preceding contract termination. The termination liability charge would be $2.5 million, as calculated below:

(1) $500,000 credit and discounts from preceding six (6) months, plus
(2) $12 million Year 2 MARC X 12.5 percent (4/12 – four months remaining in the year) = $500,000, plus
(3) $12 million Year 3 MARC X 12.5 percent = $1,500,000

(A) Service Termination Liability Charge

If the Customer disconnects a service provided under this Contract Offer before the completion of its service term, prior to the expiration of the Term Period, and the Terms and Conditions, as provided under Section 41.95.6 for portability, have not been met, or are not applicable, termination liability charges will apply, and are payable according to the Terms and Conditions as set forth in Section 7.2.22 for DS1 services and Section 20.4.6 for DS3 services.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. GigaMAN 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. 96 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-916.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-916.

41. [1]

[1] See footnote (1) on page 41-916.

41. [1]

[1] See footnote (1) on page 41-916.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. WaveMAN[sm] 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. 97 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.

41. [1]

[1] See footnote (1) on page 41-921.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-921.

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41. [1]

[1] See footnote (1) on page 41-921.

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41. [1]

[1] See footnote (1) on page 41-921.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-921.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.98 Contract Offer No. 98 – Access Extension Offer

41.98.1 General Description

Contract Offer No. 98 – Access Extension Offer, is an access discount plan that provides qualified customers with a credit for the attainment of a Monthly Billing Commitment (MBC), as described in Section 41.98.4(B).

This Contract Offer is available for subscription from September 21, 2006 to October 21, 2006.

41.98.2 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to subscribe to this Contract Offer:

(A) Customer must have previously been subscribed to MVP, pursuant to Section 38, with a MVP Term Period that expired in 2006; and

(B) The Customer's MVP MARC must have been less than $25,000,000 and greater than $12,000,000.

41.98.3 Contributory Services

Qualified Access Services, as described in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 38.2, shall be deemed as Contributory Services for attainment of the MBC as described in 41.98.4(B).

(A) Contributory Subject Services

Contributory Services provided by the Telephone Company in the Metropolitan Statistical Areas (MSAs), as listed in Section 39.2, shall be deemed "Contributory Subject Services" under this Contract Offer. Contributory Subject Services are eligible for the monthly credit provided under this Contract Offer.

(B) Contributory Non-Subject Services

Contributory Services provided by the Telephone Company outside of the MSAs, as listed in Section 39.2, shall be deemed "Contributory Non-Subject Services" under this Contract Offer. Contributory Non-Subject Services shall not be eligible for the monthly credit provided under this Contact Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.98 Contract Offer No. 98 – Access Extension Offer (Cont'd)

41.98.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be twelve (12) months commencing upon the first day of the month after the Telephone Company receives the Letter of Subscription (LOS) from the Customer.

(B) Monthly Billing Commitment (MBC)

Pursuant to this Contract Offer, the Customer must attain the MBC for each month of the Term Period as described herein to be eligible for credits, as described in Section 41.98.5. The Customer's MBC shall be equal to 1/12th of their previous MVP MARC.

Attainment of the MBC will be determined monthly by the Telephone Company. The Telephone Company will compare the MBC to the combined total of the monthly recurring billing for Contributory Subject Services and Contributory Non-Subject Services.

Example: The Customer's previous MVP MARC is $12,120,000. The MBC would be ($12,120,000 x 1/12) or $1,010,000. At the beginning of the first month of the Term Period, the Telephone Company determined the Customer was billed $840,000 for Contributory Subject Services, and $200,000 for Contributory Non-Subject Services, for a total monthly recurring billing of $1,040,000. Since the Customer attained its MBC, the Customer shall be eligible to receive the monthly credit provided under this Contract Offer.

Shortfall

If the monthly recurring billing is less than the MBC, the Customer shall still be entitled to the Monthly Credit under Section 41.98.5, but the Monthly Credit will be reduced by the amount of the shortfall (difference between the actual monthly recurring billing and the MBC). If the shortfall is greater than the monthly credit, then the Customer must remit the difference to the Telephone Company upon notification.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.98 Contract Offer No. 98 – Access Extension Offer (Cont'd)

41.98.4 Terms and Conditions (Cont'd)

(A) General

(1) Contributory Services, described in this Contract Offer, are subject to certain rates, charges and general terms and conditions described in 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 Contributory Services provided under this Contract Offer are governed by their otherwise applicable tariff sections.

(3) If the Customer terminates this Contract Offer in its entirety during the Term Period, termination liability charges shall apply in accordance with Section 41.98.8.

(4) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a Letter of Subscription.

(5) The Customer may not subscribe to a new MVP Agreement, as described in Section 38, during the Term Period of this Contract Offer.

41.98.5 Monthly Credits

The Customer shall be eligible to receive a monthly credit under this Contract Offer, provided the Customer meets all the provisions of this Contract Offer. Upon the monthly verification of the Customer's attainment of the MBC as described in Section 41.98.4(B), the Telephone Company shall apply a monthly credit to the Contributory Subject Services.

The monthly credit shall equal $144,325.00.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.98 Contract Offer No. 98 – Access Extension Offer (Cont'd)

41.98.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer, the Customer shall comply with the requirements of F.C.C. No. 73, Section 2.2.1. The Telephone Company shall acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 73, Section 2.2.1, unless (1) the proposed assignee or transferee fails to establish credit worthiness under one of the criteria provided in (A) or (B), below, or (2) if the proposed assignee or transferee, or its parent company, 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 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; or

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (i.e: Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.98 Contract Offer No. 98 – Access Extension Offer (Cont'd)

41.98.7 Mergers/Acquisitions

All provisions 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.

41.98.8 Termination Liability

If the Customer terminates this Contract Offer during the Term Period, or is not in compliance with all provisions of this Contract Offer, then the Customer will be liable for a termination charge which shall be equal to all Monthly Credits provided under this Contract Offer. The termination charges shall become due as of the effective date of the termination.

If the Customer elects to terminate this Contract Offer, the Customer must provide written notification to the Telephone Company of their intent to terminate and the effective date of the termination.

Example: If the Contract Offer is terminated after one (1) month, and the Customer received a credit of $144,325.00 for that month, the termination charge shall be calculated as:

$144,325.00 x 1 = $144,325.00

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. WaveMAN℠ 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. 99 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.

41. [1]

[1] See footnote (1) on page 41-932.

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41. [1]

[1] See footnote (1) on page 41-932.

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41. [1]

[1] See footnote (1) on page 41-932.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-932.

41. [1]

[1] See footnote (1) on page 41-932.

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 100 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.

41. [1]

[1] See footnote (1) on page 41-938.

41. [1]

[1] See footnote (1) on page 41-938.

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41. [1]

[1] See footnote (1) on page 41-938.

41. [1]

[1] See footnote (1) on page 41-938.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-938.

41. [1]

[1] See footnote (1) on page 41-938.

41. [1]

[1] See footnote (1) on page 41-938.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.101 Contract Offer No. 101 – [1]

41.101.1 General Description

This Contract Offer No. 101 – [1] Offer is a five (5) year access discount pricing plan that provides the Customer with discounted rates for one (1) existing [1] and nine (9) subtending DS3 to DS1 Multiplexing arrangements.

Contract Offer No. 101 is available for subscription November 4, 2006 through December 4, 2006. This Contract Offer is not renewable.

41.101.2 Service Qualifications

(A) This Contract Offer applies to access services that qualify for pricing flexibility (hereafter referred to as Subject Services), as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73:

(1) Section 20 – MegaLink Custom Services; and
(2) Section [1] - [1].

(B) Subject Services provided under this Contract Offer must be:

(1) Located in the following Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA): Austin, TX;

(2) One (1) existing two (2) [1]; and

(3) DS3 to DS1 Multiplexing arrangements that subtend the [1], as described above.

41.101.3 Eligibility Criteria

To be eligible for this Contract Offer, the Customer must provide Commercial Mobile Radio Service in Austin, TX.

[1] Material previously contained in this section has been deleted. DSRS 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. 101 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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41. Pricing Flexibility Contract Offerings

41.101 Contract Offer No. 101 – [1] (Cont'd)

41.101.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty (60) months commencing on the date the Telephone Company receives a Letter of Subscription (LOS) from the Customer.

Upon expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing applicable monthly extension rates found in Section 39.5.2, unless the Customer:

(1) Selects an applicable term pricing plan option from Sections 20.4.4 or [1]; or
(2) Elects to disconnect the Subject Services.

(B) General

(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. 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 shall continue to be governed by the otherwise applicable tariff sections, except as provided herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering (Section 42), or other discount plan (e.g. MVP).

(4) To subscribe to this Contract Offer, the Customer shall provide the Telephone Company with an LOS.

[1] See footnote (1) on page 41-946.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.101 Contract Offer No. 101 – [1] (Cont'd)

41.101.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(1) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(2) If the Customer terminates this Contract Offer, termination liability charges shall apply in accordance with Section 41.101.8.

41.101.5 Rates and Charges

The following Monthly Recurring Charges (MRCs) shall apply to these rate elements for the Subject Services provided under this Contract Offer.

Table A:

Service Bundle	**Applicable USOC**	**MRC**
Service Bundle Rate		$2,255.00
Includes the following rate elements:		
[1]		**Qty**
	[1]	1
[1]	[1]	1
MegaLink Custom Services		
DS3 to DS1 Multiplexers	MKM	9

Table B:

Additional Elements	**Applicable USOC**	**MRC**
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Any rate element not described herein will be subject to the rates and charges outlined in Sections 20.5, [1] or 31.5.2, as applicable.

[1] See footnote (1) on page 41-946.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.101 Contract Offer No. 101 – [1] (Cont'd)

41.101.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Section 2.1.2, the Telephone Company shall acknowledge such transfer or assignment if the criteria in Section 2.1.2 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) 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 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 "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.

[1] See footnote (1) on page 41-946.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.101 Contract Offer No. 101 – [1] (Cont'd)

41.101.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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, shall 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.

41.101.8 Termination Liability

During the Term Period of this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Sections 20.4 and [1]. Termination charges shall become due as of the effective date of the termination.

If the Customer terminates this Contract Offer, or individual rate elements for the Subject Services provided under this Contract Offer, or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to 50 percent of the MRC for the terminated services for the balance of the Term Period. The termination charge shall be calculated as (MRC) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of 50%).

Example: The MRC equals $4,300 and the service is terminated after thirty-six (36) months, and has twenty-four (24) months remaining in the Term Period. The termination charge shall be:

$4,300 X 24 X 50% = $51,600 Termination Charge

Upon termination of this Contract Offer, the Subject Services provided under this Contract Offer shall be subsequently provided at the prevailing applicable monthly extension rates.

[1] See footnote (1) on page 41-946.

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 102 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.

41. [1]

[1] See footnote (1) on page 41-951.

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41. [1]

[1] See footnote (1) on page 41-951.

41. [1]

[1] See footnote (1) on page 41-951.

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41. [1]

[1] See footnote (1) on page 41-951.

41. [1]

[1] See footnote (1) on page 41-951.

41. [1]

[1] See footnote (1) on page 41-951.

41. [1]

[1] See footnote (1) on page 41-951.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.103 Contract Offer No. 103 – Access Service Offer

41.103.1 General Description

The Access Service Offer (Contract Offer No. 103) is an access discount plan that requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) during the Contract Term Period. Contract Offer No. 103 is available to any Customer who commits to a MARC of $205M in Contributory Service as described herein. In order to receive the discounts and other credits, the Customer must meet the Eligibility Criteria described in Section 41.103.3, and must comply with all Terms and Conditions of this Contract Offer.

Contract Offer No. 103 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.103.5, for each year of the Term Period. The MARC shall include all Contributory Services provided by the Telephone Company. Contributory Services shall include Contributory Subject Services as described in Section 41.103.2(A), and Contributory Non-Subject Services as described in Section 41.103.2(B). Contributory Non-Subject Services are not eligible for the discounts and other incentives provided under this Contract Offer..

If, upon any quarterly calculation, the Customer’s recurring revenue from Contributory Services is less than the applicable MARC, equally prorated on a quarterly basis, the Customer must remit the shortfall payment via the Quarterly True-Up process set forth in Section 41.103.6(E). If the Customer does not comply with all Terms and Conditions of this Contract Offer and cure any non-compliance situations of this Contract Offer, termination liability charges, in accordance with Section 41.103.8, will apply.

Contract Offer No. 103 will be available for subscription only from November 14, 2006 through December 14, 2006. This offer is not renewable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 - Access Service Offer (Cont'd)

41.103.2 Contributory Services

The Customer's revenues for purposes of determining the achievement of the MARC shall include eligible Contributory Services purchased from the Telephone Company under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 41.103.2, Table A, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.103.2, Table B, herein.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services. Customer's revenue for purposes of determining the achievement of the MARC includes recurring revenue from all Contributory Services being provided by the Telephone Company, as listed in Tables A and B, herein.

(A) Contributory Subject Services

Contract Offer No. 103 applies to pricing flexibility qualified access services (referred to as Contributory Subject Services) located in pricing flexibility Metropolitan Statistical Areas (MSAs), as listed in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39. Contributory Subject Services are eligible for discounts and credits under this Contract Offer, and are listed in Table A.

Table A - Contributory Subject Services

Contributory Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring Charges associated with the products listed, where applicable, for all services located in Pricing Flexibility MSA's.	

(B) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer, and are listed in Table B, herein.

[1] Material previously contained in this section has been deleted. DSRS, DecaMAN®, GigaMAN, MON, OCN PTP, OPT-E-MAN and WaveMAN℠ 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. 103 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.2 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services (Cont'd)

Table B – Contributory Non-Subject Services

Contributory Non-Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], [1], [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Intrastate Switched Access	Equivalent services as Interstate Switched Access above if available.
Includes all Recurring Charges associated with the products listed where applicable for all non-pricing flexibility qualified services.	

When additional services are added to the services available under SWBT Tariff F.C.C. No. 73, all billed, recurring revenues for such additional services will be added to this Contract Offer No. 103 for the purpose of performing calculations to determine the achievement of the MARC included in this Contract Offer No. 103.

All terms and conditions for the Contributory Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 103.

41.103.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 103:

(A) Contract Offer No. 103 is available for qualified access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39. During this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer;

[1] See footnote (1) on page 41-960.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.3 Eligibility Criteria (Cont'd)

(B) The Contributory Services must be located within the "Operating Territory" of the Telephone Company, as described in SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory); and

(C) The Customer must have billed, recurring revenues for Contributory Services to establish a Minimum Annual Revenue Commitment (MARC) of $205,000,000 for Contributory Services.

41.103.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 103:

(A) Subscription

To subscribe to Contract Offer No. 103, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer. Additional ACNAs may not be included by the Customer after subscription to the Contract Offer, unless mutually agreed upon by the Customer and the Telephone Company.

(B) Term Period

The contract term (Term Period) is thirty-six (36) months, subject to up to two 1-year extensions, commencing on the date the Letter of Subscription (LOS) is signed by the Customer (Effective Date). Each twelve (12) month period, beginning with the Effective Date, shall be a Term Year.

The Customer may, at its discretion, initiate up to two 1-year extensions to this Contract Offer upon expiration of the Term Period. To extend this Contract Offer, the Customer must notify the Telephone Company at least sixty (60) days prior to the expiration of the Term Period or, with respect to the second extension, at least sixty (60) days prior to the expiration of the first extension period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 - Access Service Offer (Cont'd)

41.103.4 Terms and Conditions (Cont'd)

(C) The Customer must establish a $205,000,000 Minimum Annual Revenue Commitment (MARC) for Contributory Services, as defined in Section 41.103.2, starting on the Effective Date of this contract.

(D) The Customer must maintain a $205,000,000 MARC for each Term Year of this Contract Offer.

(E) Revenue commitments are based on billed, recurring charges for the Contributory Services, and specifically excludes any non-recurring charges and Discounts earned under this Contract Offer No. 103.

(F) Discounts earned by the Customer under this Contract Offer No. 103 shall be applied in the form of a credit to the Customer's bill(s).

(G) Discounts will apply, as described in Section 41.103.6, provided the Customer complies with MARC requirements, all Eligibility Criteria, and all Terms and Conditions of this Contract Offer.

(H) Contract Offer No. 103 Discounts are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs, except that billed, recurring revenues, which are discounted under this Contract Offer No. 103, are not eligible under the Managed Value Plan (MVP) offered in SWBT Tariff F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 103.

(I) The Telephone Company reserves the right to change rates for Contributory Services included under Contract Offer No. 103, but in the event of such rate modifications, no change will be made to the MARC.

(J) Contributory Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (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. 103.

(K) This Contract Offer No. 103 is available November 14, 2006 through December 14, 2006.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.4 Terms and Conditions (Cont'd)

(L) Discounts applicable under this Contract Offer No. 103 shall not be applied unless, and until, the Customer is current in paying or properly disputing all billed charges in accordance with SWBT Tariff F.C.C. No. 73, Section 2.

If the Customer fails to meet the requirements of SWBT Tariff F.C.C. No. 73, Section 2, the Telephone Company shall provide the Customer written notification of such non-compliance, and the Customer shall have thirty (30) days to comply before discounts are withheld. Upon compliance by the Customer with these requirements, the Telephone Company shall issue previously withheld discounts.

(M) Access Service Ratio

During this Contract Offer, the Customer must maintain an Access Service Ratio of 95 percent or greater. If the ratio decreases below 95 percent, the Customer will have sixty (60) days to return the ratio equal to or greater than 95 percent. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. The ratio is calculated as follows:

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

(1) Access Revenue is the Customer's and its affiliates' current monthly recurring billed revenue for Contributory Services as defined in Section 41.103.2.

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table C, that are not Contributory Services.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.4 Terms and Conditions (Cont'd)

(M) Access Service Ratio (Cont'd)

(2) (Cont'd)

Table C:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	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/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	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 Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(3) As new Access Services are made available by the Telephone Company, all recurring revenues associated with the new Access Services will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.4 Terms and Conditions (Cont'd)

(M) Access Service Ratio (Cont'd)

(4) As new Wholesale Services are made available by the Telephone Company, all recurring revenues associated with the new Wholesale Services will automatically be added to the Customer's Annual Wholesale Revenue, as defined in Section 41.103.4(M)(2), for calculation of the Access Service Ratio.

(N) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Section 2.7) of Subject Services provided pursuant to this Contract Offer is prohibited; and

(O) Provided that the Customer meets the Eligibility Criteria in Section 41.103.3 and the Terms and Conditions in Section 41.103.4, the Customer will be allowed to terminate this Contract Offer No. 103 without incurring Termination Liabilities set forth in Section 41.103.8 of this Contract Offer, if the Customer subsequently obtains the same Contributory Services provided pursuant to this Contract Offer No. 103 pursuant to another effective contract offer, provided that the Customer meets the following criteria for subscription:

(1) The Customer submits an LOS for purposes of subscribing to the Contributory Services pursuant to the new contract offer; and

(2) The Customer obtains, pursuant to the new contract offer, Subject Services with a capacity equal to or greater than the capacity of the Contributory Services provided pursuant to this Contract Offer No. 103, with a term commitment of at least three (3) years.

41.103.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

Under Contract Offer 103, the Customer must establish a $205,000,000 Minimum Annual Revenue Commitment (MARC) for Contributory Services, as defined in Section 41.103.2, starting on the Effective Date of this contract. The Customer must maintain the $205,000,000 MARC each Term Year of this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) MARC Achievement Calculations

Achievement of the MARC shall be determined according to the recurring revenue from Contributory Services, as billed by the Telephone Company. Recurring revenue from Contributory Services shall include Contributory Services to which the Customer subscribes as of the commencement of the Term Period, and purchases of Contributory Services during this Contract Offer. To be included in the MARC Achievement Calculations, all recurring revenue must be billed under the ACNAs, as defined in Section 41.103.4 (A).

(C) Failure to Achieve the MARC

If the Customer fails to achieve its MARC commitment as per the Quarterly True-up Process in Section 41.103.6 (E), the Customer will be notified by the Telephone Company.

The Customer must make a shortfall payment to the Telephone Company. The shortfall payment shall be deducted from the credit amount it would have received under quarterly achievement of the MARC. Applicable MARC Achievement Credits, as described in Section 41.103.6, minus any shortfall payment, will be applied. If the shortfall is greater than the credits not yet received, then the Customer must remit the difference to the Telephone Company.

If the Customer chooses not to pay the shortfall payment, the Customer must notify the Telephone Company in writing of its intent to terminate this Contract Offer. Termination liability charges will apply, as set forth in Section 41.103.8

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits

The Customer will be eligible for the following discounts and other credits (collectively "Discounts") under this Contract Offer No. 103 during each of the Term Years:

MARC Achievement Credit;
Above MARC Achievement Credit;
Non-Recurring Charges (NRCs) Credit; and
One-time Billing Credit.

Table D contains the level of discounts for this Contract Offer:

Table D:

Term Year	MARC Achievement Credit	Above the MARC Credit	One-time Credit
1	$19,475,000	30%	$811,500
2	$20,500,000	30%	NA
3	$21,525,000	30%	NA
4	$22,550,000	30%	NA
5	$24,600,000	30%	NA

Example for Year 1:

The Customer's MARC Achievement = $205M
Revenue above the MARC = $10M

The Customer will receive a $19,475,000 MARC Achievement Credit on $205M (issued monthly in accordance with Section 41.103.6(A), herein), and a 30 percent Above MARC Credit on $10M (issued quarterly in accordance with Section 41.103.6(B), herein).

(A) MARC Achievement Credit

The Telephone Company will apply the MARC Achievement Credit to the Customer's access bill(s) on a monthly basis, provided the Customer meets or exceeds the MARC prorated on a monthly basis (Monthly MARC).

The MARC Achievement Credit will begin the first full month following the Effective Date of this contract. Credits are applied toward the Customer's access bill on a full month's basis, and will be applied sixty (60) days in arrears.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits (Cont'd)

(A) Above MARC Achievement Credit

The Customer is eligible to receive additional discounts quarterly for recurring revenues above the MARC. The Above MARC Achievement Credit shall apply to Contributory Subject Services equal to 30 percent of total recurring revenues above the MARC. The Above MARC Achievement Credit is limited to a maximum $10.5M annually.

The Above MARC Achievement Credit will begin the first full quarter following the Effective Date of this contract. Credits are applied toward the Customer's access bill on a full quarter's basis, and will be applied sixty (60) days in arrears.

(B) Non-Recurring Charges (NRCs) Credit

For all Access Service Requests (ASRs) that have an Application Date (APP Date) on or after the Effective Date of this contract, all non-recurring initial installation charges associated with Term Pricing Plans of three (3) years or longer, with the exception of access order, expedited, special construction and additional labor charges(as set forth in SWBT Tariff F.C.C. Sections 5.3.2 and 5.2.6), for the Contributory Subject Services described in 41.103.2(A), preceding, will be waived for the duration of this Contract Offer, as long as the circuit remains in service for at least three (3) years, or as long as the terms and conditions of the underlying term plans are met. The non-recurring initial installation charges do not include subsequent changes and/or moves. NRCs for optional features and functions associated with the initial installation of a circuit will be waived. NRCs for the subsequent addition of optional features and functions (after the initial installation) will not be waived. If the underlying service is terminated before its term payment plan expires, the Customer will be billed the non-recurring charges associated with the underlying tariff when the circuit is disconnected or the service is terminated. The non-recurring Channel Termination Charges associated with the failure to meet the DS1 Term Payment Plan Portability Commitment, and for exceeding the DS1 Term Payment Plan Portability Commitment, as described in SWBT Tariff F.C.C. Section 7.2.22(E)(3), will not be waived under this Nonrecurring Installation Charge Credit.

In the event that NRCs are billed, the Telephone Company will provide credits to the Customer on a quarterly basis.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits (Cont'd)

(D) One-time Billing Credit

The Telephone Company shall provide the Customer a one-time billing credit equal to $811,500. The credit shall be applied within sixty (60) days of the Effective Date of this contract, provided the Customer meets the Eligibility Criteria provided in Section 41.103.3 of this Contract Offer, and is in compliance with the Terms and Conditions provided in Section 41.103.4 of this Contract Offer.

(E) Quarterly True-up Process

Quarterly true-up calculations will be performed during each Term Year of this Contract Offer No. 103. The Quarterly True-up Process provides an opportunity to receive monthly discounts that were not received because the monthly MARC was not met, and provide additional discounts for recurring revenues above the MARC, prorated on a quarterly basis.

(1) The Customer will receive applicable Discounts not received during the quarter as long as the following percentages of the MARC have been achieved by the close of the quarter pursuant to Table E. Discounts will be withheld if the Customer does not meet the percentage requirements in any given quarter, and will not be issued until the Customer submits a true-up payment as defined in Section 41.103.6(E)(4), herein.

(2) At the close of each quarter of a Term Year, the Telephone Company will review the recurring revenue from Contributory Services to determine achievement of the MARC. Achievement of the prorated year-to-date MARC for each quarter will be calculated using the following percentages applied to the MARC for each Term Year:

Table E

Quarter	**% of MARC**	**Recurring Revenue**	**% of MARC Achievement Credit**	**Above MARC Achievement Credit**
1st Qtr	25%	1st Quarter of each Term Year	25%	30%
2nd Qtr	50%	1st two Quarters of each Term Year	25%	30%
3rd Qtr	75%	1st three Quarters of each Term Year	25%	30%
4th Qtr	100%	All four Quarters of each Term Year	25%	30%

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits (Cont'd)

(E) Quarterly True-up Process (Cont'd)

(3) The 1st Quarter of Year 1 of this Contract Offer will begin on the Effective Date of this contract. Future quarters will begin every three months thereafter, for the remainder of the Term Period.

(4) If, upon any quarterly calculation, the Customer's recurring revenue from Contributory Services is less than the applicable MARC, equally prorated on a quarterly basis to reflect the year-to-date MARC (Shortfall), the Customer must make a true-up payment equal to the difference between the prorated year-to-date MARC and the recurring revenue from Contributory Services for the each quarter of each Term Year. The Shortfall payment shall be deducted from the credit amount it would have received under quarterly achievement of the MARC.

Any true-up payment(s) made by the Customer during a Term Year will be included in MARC Achievement Calculations, as described in Section 41.103.5 (B), preceding, and in determining the amount of any applicable true-up payment.

Example of the 1st Quarter True-up:

The MARC for Year 1 is $205M, and the recurring revenue for Contributory Services during the 1st Quarter is $50M, and the Customer has received two (2) months of MARC Achievement Credits during the 1st Quarter during the Term Year. In this example, the Customer has a Shortfall of $1.25M, as calculated in Table F, below:

Table F

1st Quarter Year-to-Date MARC ($205M x 25%)	$51,250,000
Recurring revenue for the 1st Quarter of the Term Year	$50,000,00
True-up Payment (Shortfall) Due for the 1st Quarter	$1,250,000
MARC Achievement Quarterly Discount ($19,475,000 x 25%)	$4,868,750
Received two (2) months MARC Achievement discounts during the 1st Quarter	$3,245,833
Remaining Quarterly Discount	$1,622,917
Above MARC Discount	$0
Discount minus Shortfall	$372,917

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits (Cont'd)

(E) Quarterly True-up Process (Cont'd)

(4) (Cont'd)

Example of the 2nd Quarter True-up:

The MARC for Year 1 is $205M, and the total recurring revenue for Contributory Services during the first two quarters is $101 million, and the Customer had a Shortfall of $1,250,000 for the 1st Quarter, and received four (4) months of MARC Achievement Credit during the Term Year. In this example, the Customer has a Shortfall of $250,000 for the 2nd Quarter, as calculated in Table G, below:

Table G

2nd Quarter Year-to-Date MARC ($205M x 50%)	$102,500,000
Recurring revenue for the 1st and 2nd Quarters of the Term Year	$101,000,000
Shortfall during the Term Year	$1,250,000
Shortfall Due for the 2nd Quarter	$250,000
MARC Achievement Discount ($19,475,000 x 50%)	$9,737,500
Received four (4) months MARC Achievement discounts during the 1st and 2nd Quarters	$6,491,667
Remaining 2nd Quarter Discounts	$3,245,833
Above MARC Discount	$0
Discount minus Shortfall	$2,995,833

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.6 Discounts and Other Credits (Cont'd)

(E) Quarterly True-up Process (Cont'd)

(4) (Cont'd)

Example of the 3rd Quarter True-up:

The MARC for Year 1 is $205M, and the total recurring revenue for Contributory Services during the first three (3) quarters is $155 million, and the Customer had a total Shortfall of $1,500,000 in the 1st and 2nd Quarters, and received eight (8) months of MARC Achievement Credits during the Term Year. In this example, the Customer has met the MARC Achievement for the 3rd Quarter, as calculated in Table H, below:

Table H

3rd Quarter Year-to-Date MARC ($205M x 75%)	$153,750,000
Recurring revenue for the 1st, 2nd and 3rd Quarters of the Term Year	$155,000,000
Shortfall during the Term Year	$1,500,000
MARC Achievement Discount ($19,475,000 x 75%)	$14,606,250
Received eight (8) months MARC Achievement discounts during the 1st, 2nd and 3rd Quarters	$12,983,333
Remaining 3rd Quarter Discounts	$1,622,917
Above MARC Discount	$375,000
Total Discount minus Shortfall	$1,997,917

(5) If, at the end of each contract Term Year, the Customer has exceeded the MARC (actual revenue + Shortfall true-up payments), and has made true-up payments during the contract Term Year under review, the Telephone Company will provide a credit to the Customer for the amount that exceeds the MARC, but not greater than the total true-up payments submitted by the Customer in that contract anniversary year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.7 Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 103 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Sections 2.2.1 (B) and (C) are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (A), (B) or (C), below, or 2) if the assignee or transferee or its parent has commenced, or had initiated against it, a voluntary receivership or bankruptcy proceeding.

(A) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 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

(B) 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 a rating organization for a possible downgrade; or

(C) 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.7 Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The Terms and Conditions of Contract Offer No. 103 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Contributory Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided herein.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options (i-ii), set forth in this subsection (Option), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company, within the time period described above, stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date." None of the Options shall alter, in any way, the terms or conditions of any contract or tariff pursuant to which the other entity obtains Contributory Services from the Telephone Company, including, but not limited to, any terms or conditions related to termination.

Option (i):

The Customer and Telephone Company shall recalculate the MARC and MARC Achievement Credit (collectively "Key Numbers") for the period from the Option Exercise Date to the end of the Term Period, to allow for the combined billed, recurring revenues for Contributory Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.7 Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(a) 100 percent of the total combined billed, recurring revenues for Contributory Services of the Customer and the other entity must be included in the Contract Offer Subscription.

(b) The MARC will be adjusted according to the following formula:

(1) The MARC will be equal to 100 percent of the other entity's billed, recurring revenues for Contributory Services for the twelve (12) months immediately preceding the Option Exercise Date, plus $205M. This shall be the "Combined MARC."

(c) The MARC Achievement Credit will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined MARC to the Customer's current MARC, will apply to MARC Achievement Credit depicted in Section 41.103.6, Table D. This shall be the "Combined MARC Achievement Credit."

Example:
MARC = $205,000,000
Current Term Year = 2
MARC Achievement Credit = $20,500,000

New Entity Revenue = $50,000,000
Combined MARC = $255,000,000 ($205,000,000 plus $50,000,000)
Option 1 Multiplier = 1.24 ($255,000,000 / $205,000,000)
Combined MARC Achievement Credit = $25,420,000 ($20,500,000 x 1.24)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.7 Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(d) The Customer must have at least twenty-four (24) months remaining in the Term Period under the Contract Offer Subscription or, if less than twenty-four (24) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the Terms and Conditions of the Contract Offer No. 103 remain in effect for twenty-four (24) months after the Option Exercise Date.

(e) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date, with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, combined Key Numbers will be used to determine applicable MARC Achievement Credit amounts.

(1) If the Option Exercise Date falls within the First, Second or Third Quarters of the respective Term Year, the initial credit application of any eligible Combined MARC Achievement Credit will occur thirty (30) days after the Key Numbers are determined, or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(2) If the Option Exercise Date falls within the Fourth Quarter of the respective Term Year, the initial credit application of any eligible Combined MARC Achievement Credit will occur thirty (30) days after the Key Numbers are determined, or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii):

The Contract Offer Subscription shall be terminated as set forth within Section 41.103.8.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.8 Termination

If the Customer terminates Contract Offer No. 103 before the completion of the Term Period, or extension period, for any reason, 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. The Customer must provide written notification sixty (60) days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the Eligibility Criteria in Section 41.103.3, or fails to meet any of the Terms and Conditions in Section 41.103.4, with exception of (i) termination of Contract Offer No. 103 due to Rate Reductions as described in Section 41.103.8 (B), below, and (ii) termination resulting from failure to meet the Terms and Conditions in Section 41.103.4 (L), then the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated Contract Offer No. 103, and termination liability charges will apply, as stated below, and will be payable pursuant to SWBT Tariff F.C.C. No. 73, Section 2.4.

(A) The Customer's termination liability charge shall be equal to the following:

(1) During the Term Period

Twelve percent of the MARC, divided by twelve (12), and then multiplied by the number of months remaining in the Term Period.

(2) During a One (1) Year Extension

Twelve percent of the MARC, divided by twelve (12), and then multiplied by the number of months remaining in the Term Year.

Example:

Customer with a MARC of $205,000,000 terminates its Contract Offer Subscription after twenty-four (24) months, and with twelve (12) months remaining in the 36-month Term Period. The termination liability charges would be:

(($205,000,000 X 12%)/12 X 12) = $24,600,000 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.8 Termination (Cont'd)

(B) Rate Reductions

If the tariffed rates for the Contributory Subject Services are reduced by a cumulative total of 30 percent from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the LOS by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

To determine whether the 30 percent rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Contributory Subject Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	TX	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage (CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.103 Contract Offer No. 103 – Access Service Offer (Cont'd)

41.103.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

The Telephone Company shall also perform a similar exercise each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis) upon written request from the Customer. The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis

Product Category	Units	Initial Tariff Rate	EOY Tariff Rate	Rate Change
DS1	6,600	$150,000	$122,000	
DS3	2,000	$90,000	$ 70,000	
SONET	1,000	$300,000	$200,000	
Total	9,600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Contributory Subject Service rate elements listed below:

(1) DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed, and Channel Mileage (CM) per mile;

(2) DS3 – CT, CM fixed, CM per mile, and Multiplexing (MUX); and

(3) SONET – All SONET rate elements for Self-Healing Transport Network (STN), BCS, ReliaNet, [1], and [1] services.

[1] See footnote (1) on page 41-960.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term

41.104.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.104.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 3105 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73 Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.104.2 Contract Terms

(A) Contract Offering No. 104 is available during the purchase period, which begins December 9, 2006 and ends June 9, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 104.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 104, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.104.2Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 104 is one (1) year and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(B) At the conclusion of the initial contract term, Contract Offering No. 104 will be automatically converted to the applicable monthly renewal rate, found in Section 41.104.3 (B). The Customer may terminate Contract Offering No. 104 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 104 upon thirty (30) days written notice any time following the completion of the initial contract term.

(C) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(D) No other discount pricing plans apply.

(E) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 104.

(F) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 104 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.104.2(L). The termination charge for Contract Offering No. 104 is 50 percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(G) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 104 terminated, and the termination charges described in 41.104.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the Non-Recurring Charge (NRC) to install service as reflected in Section 41.104.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont’d)

41.104.2Contract Terms (Cont’d)

(L) The Customer may elect to discontinue Contract Offering No. 104 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.104.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user’s premises to which Contract Offering No. 104 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer’s initial contract term for Contract Offering No. 104, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer’s initial contract term for Contract Offering No. 104.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company’s intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 104 terminated. If Contract Offering No. 104 is terminated during the initial contract term, the termination charges described in Section 41.104.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.104.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.104.1(B), and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.104.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs are one-time charges that apply for specific work activities.

(a) A NRC applies for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.104 Contract Offering No. 104 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.104.3 Rate Regulations (Cont'd)

(A) Types of Rates and Charges (Cont'd)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	Non-Recurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term

41.105.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 3105 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39 If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.2 Contract Terms

(A) Contract Offering No. 105 is available during the purchase period, which begins December 9, 2006 and ends June 9, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 105.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 105, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.2Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 105 is two (2) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Contract Offering No. 105 will be automatically converted to the applicable monthly renewal rate, found in Section 41.105.3 (B). The Customer may terminate Contract Offering No. 105 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 105 upon thirty (30) days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 105.

(J) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 105 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.105.2(L). The termination charge for Contract Offering No. 105 is 50 percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 105 terminated, and termination charges described in Section 41.105.2(J) apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the NRC to install service as reflected in Section 41.105.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.2Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 105 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.105.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 105 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 105, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 105.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 105 terminated. If Contract Offering No. 105 is terminated during the initial contract term, the termination charges described in Section 41.105.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.2Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.105.1(B), and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.105.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs are one-time charges that apply for specific work activities.

(a) A NRC does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.105 Contract Offering No. 105 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.105.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(1) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	**Non-Recurring Charge**	**CRIS USOC**	**CABS USOC**
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term

41.106.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity,

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity,

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.106.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 3105 Kbps of capacity,

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity, and

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 - Access Advantage Plus Transport Service - Three Year Term (Cont'd)

41.106.2 Contract Terms

(A) Contract Offering No. 106 is available during the purchase period, which begins December 9, 2006 and ends June 9, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 106.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 106, is the initial contract term.

(5) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.106.2 Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date described in Section 5.2.1(C).

(B) The initial contract term for Contract Offering No. 106 is three (3) years and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Contract Offering No. 106 will be automatically converted to the applicable monthly renewal rate, found in Section 41.106.3 (B). The Customer may terminate Contract Offering No. 106 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 106 upon thirty (30) days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 106.

(G) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 106 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.106.2(L). The termination charge for Contract Offering No. 106 is 50 percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.106.2Contract Terms (Cont'd)

(A) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 106 terminated, and the termination charges described in Section 41.106.2(J) apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The Customer may elect to discontinue Contract Offering No. 106 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.106.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity,

(2) The new service is provided to the same end user's premises to which Contract Offering No. 106 was provided,

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 106, and

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 106.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.106.2Contract Terms (Cont'd)

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 106 terminated. If Contract Offering No. 106 is terminated during the initial contract term, the termination charges described in Section 41.106.2(J) apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

(O) The AA+ Transport Service Customer is responsible for channel assignments, which includes the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements,

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.106.1(B), and

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.106 Contract Offering No. 106 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.106.3Rate Regulations

(A) Types of Rates and Charges

(1) NRCs are one-time charges that apply for specific work activities.

(a) A NRC does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) A NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) Monthly rates are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) A monthly rate applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

	Monthly Rate	Non-Recurring Charge	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.107 Contract Offer No. 107 – Special Access Service Offer

41.107.1 General Description

Special Access Service Offer (Contract Offer No. 107) 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) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39. Contract Offer No. 107 is available to any Customer with at least $14 million in cumulative annual recurring revenue for Contributory Services, as defined in Sections 41.107.2(C) and 41.107.2(D). The Customer must meet the Eligibility Criteria set forth in Section 41.107.2, and also must comply with all Terms and Conditions of this Contract Offer. (Nx)

Contract Offer No. 107 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period, as defined in Section 41.107.4(A). The MARC shall include all Contributory Services purchased from the Telephone Company available under this Contract Offer. Contributory Services include Contributory Subject Services, as described in Section 41.107.2(C) and Contributory Non-Subject Services, as described in Section 41.107.2(D), herein. Contributory Non-Subject Services are not eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described above must be purchased through the AT&T wholesale sales channel (AT&T Wholesale Services).

In the event the Customer does not meet its MARC as of each Anniversary Date of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 41.107.4(E). Notwithstanding the obligation to pay such shortfall payment, if the Customer does not comply with all Terms and Conditions of this Contract Offer, termination liability charges, in accordance with Section 41.107.11, shall apply.

Contract Offer No. 107 will only be available December 9, 2006 through January 9, 2007.

(x) Issued under Authority of Special Permission No. 06-041 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.2 Eligibility Criteria

(A) The Customer must meet the following Eligibility Criteria to subscribe to Contract Offer No. 107, and must continue to meet the Eligibility Criteria as described below throughout the Term Period of this Contract Offer:

Contract Offer No. 107 is available only for Contributory Services located in the following Metropolitan Statistical Areas (MSAs):

(1) Portability and discounts provided in Sections 41.107.6 and 41.107.8 of this Contract Offer shall apply to all Channel Terminations and Interoffice (Channel) Mileage - Fixed and Per Mile associated with Subject Services, including Channel Terminations between the Telephone Company's end office and an end user premises (End User Channel Terminations), in the following MSAs:

Abilene, TX; Amarillo, TX; Corpus Christi, TX; Fayetteville - Springdale, AR; Lawton OK; Little Rock - North Little Rock, AR; Longview - Marshall, TX; Lubbock, TX; Midland, TX; Springfield, MO; St. Joseph, MO; Topeka, KS; Austin - San Marcos, TX; Dallas - Ft. Worth, TX; St. Smith, AR-OK; Houston, TX; Joplin, MO; Kansas City, KS-MO; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Waco, TX; Wichita Falls, TX; Wichita, KS.

(2) Portability and discounts provided in Sections 41.107.5 and 41.107.8 of this Contract Offer shall apply to Channel Terminations, Interoffice (Channel) Mileage - Fixed and Per Mile associated with Subject Services, except for End User Channel Terminations, in the following MSAs:

Brownsville - Harlingen, Tx; McAllen - Edinburgh - Mission, TX; Tyler, TX; Beaumont - Port Arthur, TX; El Paso, TX; Non-MSA, KS; Non-MSA, MO.

(3) If the Telephone Company is granted pricing flexibility relief in additional MSAs, any eligible Contributory Subject Services that the Telephone Company provides to the Customer, pursuant to this Contract Offer and available in those additional MSAs, may, at the Customer's option, be included in this Contract Offer beginning with the first year after the Telephone Company is granted the pricing flexibility in those additional MSAs, provided that the MARC increases to reflect the recurring annual revenues associated with the additional Contributory Subject Services, as described in Section 41.107.4.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.2 Eligibility Criteria (Cont'd)

(A) (Cont'd)

(4) The Customer's first year MARC shall be $14 Million in cumulative annual recurring revenue for Contributory Services in the following AT&T Companies: Ameritech, PBTC, SWBT, and SNET. (Nx)

(5) The Customer cannot subscribe to Contract Offer No. 107 concurrently with SWBT's MVP Offering in Section 38.

(B) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 107, pursuant to the following tariffs: (Nx)

(1) Ameritech Tariff F.C.C No. 2, Section 22, Contract Offer No. 136;

(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No.109; and

(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 30. (Nx)

(x) Issued under Authority of Special Permission No. 06-041 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.2 Eligibility Criteria (Cont'd)

(C) Contributory Services

The Customer's revenues for purposes of determining the achievement of the MARC shall include eligible Contributory Services provided under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Table 1, below, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as listed in Table 2, below.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services for the purposes of this Contract Offer. The Customer's revenue, for purposes of determining the achievement of the MARC, includes recurring revenue from all Contributory Services being provided by the Telephone Company, as listed in Tables 1 and 2, herein.

(1) Contributory Subject Services

Contract Offer No. 107 applies to pricing-flexibility-qualified access services (hereafter referred to as Contributory Subject Services) contained in the following tariff sections as listed in Table 1, below:

Table 1

Service	**General Basic Description**	**Rates & Charges Phase I**	**Rates & Charges Phase II**
Special Access			
DS1 and DS3 Services	7.3.10	7.3.10(F)	39.5.2.7
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)
Metallic Service	7.3.2(A)	7.3.2(E)	39.5.2.1
Telegraph Grade Service	7.3.3(A)	7.3.3(E)	39.5.2.2
Voice Grade Service	7.3.4 (A)	7.3.4(G)	39.5.2.3
Switched Access Dedicated Transport Services	6.1.4	6.9.2	39.5.1

[1] Material previously contained in this section has been deleted. DSRS, GigaMAN, MON, OCN PTP, and OPT-E-MAN 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. 107 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.2 Eligibility Criteria (Cont'd)

(D) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer, and are listed in Table 2, below.

Table 2 - Contributory Non-Subject Services

Intrastate Special Access	Equivalent VG, DS0, DS1, DS3, [1], [1], SRAS, STN, FGTS, BCS, [1], [1], [1] Services
Includes all Recurring Charges excluding Non-Recurring Charges associated with the products listed, where applicable, for all non-pricing flexibility qualified services.	

If the Telephone Company introduces a new Special Access or Switched Access service, or an enhancement to an existing Special Access or Switched Access service, then such services shall be automatically included as Contributory Non Subject Services, and the Customer's purchase of such new or enhanced Contributory Non-Subject Services shall be included in the calculation of the MARC, subject to the Terms and Conditions set forth in this Contract Offer.

All terms and conditions for the Contributory Services listed above are governed by their respective tariff sections, except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 41.107.4

[1] See footnote (1) on page 41-1005.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.3 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is five (5) years, commencing on the date the Telephone Company receives a Letter of Subscription (LOS), and the Anniversary Date shall be based on that same date. Contract Offer No. 107 is not renewable.

Contributory Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any additional Contributory Subject Services included in this Contract Offer after commencement of the Term Period, in accordance with the Terms and Conditions set forth herein, must be converted to five (5) year term payment plans (where available) no later than April 1, 2007, to receive discounts pursuant to this Contract Offer, except for those services whose conversion would cause the rates to increase over existing rates (those services would be exempt and remain at existing rates on the current term payment plan for those services). If a five (5) year term payment plan is not available for certain Contributory Subject Services, the Customer must select the longest term plan available for the Contributory Subject Service.

(B) Contributory Services are subject to certain rates, charges, and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73, 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 changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(C) Contract Offer No. 107 is available for subscription only from December 9, 2006 through January 9, 2007.

(D) The Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

(E) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.7 of Subject Services under this Contract Offer, is prohibited.

(F) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in SWBT Tariff F.C.C. No. 73, Section 5 - Ordering for Access Services.

(G) The Customer may not subscribe to any future Contract Offerings in SWBT Tariff F.C.C. No. 73, Section 41 in conjunction with this Contract Offer, which may be offered by the Telephone Company for Subject Services covered under this Contract Offer, unless expressly permitted in the future Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.3 Terms and Conditions (Cont'd)

(H) The Customer must pay billed charges in full throughout the Term Period of this Contract Offer, excluding amounts being disputed. The Telephone Company will exhaust its remedies under SWBT Tariff F.C.C. No. 73, Section 2.5 before exercising any remedy under this section. The Telephone Company will provide the Customer written notice (via registered letter) of non-compliance. The Customer will have thirty (30) days from receipt of the written notice to comply, which may be extended by mutual agreement of the Parties to allow the Parties to attempt to resolve any disputes. During this thirty (30) day period, or a period to be mutually agreed upon by the Parties, the Parties will cooperate in good faith to attempt to resolve any pending disputes. If, after the Parties have exhausted attempts to resolve any pending disputes, or have resolved disputes and the Customer does not comply with the written notice of non-compliance, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 41.107.11 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes). Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in SWBT Tariff F.C.C. No. 73, Section 2.5.

(I) Customer must have achieved billing of Switched Access Dedicated Transport Services that is no greater than $100,000 upon subscription to this Contract Offer.

(J) The Customer will continue to receive the benefit of rate stability for any existing Contributory Subject Services currently under a term payment plan with the Telephone Company as provided for in the applicable tariff section from which the Contributory Subject Services were purchased.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.3 Terms and Conditions (Cont'd)

(K) The Telephone Company shall waive any termination liability charges that would otherwise apply pursuant to SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 58 for existing Subject Services to be provided under this Contract Offer, to the extent such termination liability would result from the Customer's migration of Subject Services from that contract offer to this Contract Offer. Termination liability charges shall otherwise apply according to the terms of the applicable tariff.

41.107.4 Minimum Annual Revenue Commitment (MARC)

Contract Offer No. 107 requires the Customer to establish and maintain a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period, as defined in Section 41.107.4(A). The MARC shall include all Contributory Services purchased from the Telephone Company available under this Contract Offer. Contributory Services include Contributory Subject Services, as described in Section 41.107.2(C)(1), herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 41.107.2(C)(2).

(A) Establishing the MARC

(1) The Customer's Year 1 MARC will be established upon commencement of the Term Period. The Customer's MARC for Year 1 shall be $14 Million.

(2) The MARC will be re-established, effective on each Anniversary Date, beginning on the first anniversary (Year 2 MARC). The MARC for Years 2, 3, 4, and 5 will be based on the Customer's actual monthly recurring revenue for all Contributory Services during the previous three (3) months multiplied by 4, or the then-current MARC, whichever is greater.

Example 1: Term Period begins on December 1, 2006. The Year 1 MARC is established upon subscription at $14M. The Customer's actual revenue from September 1, 2007 to November 30, 2007 is $4M. The new Year 2 MARC, effective December 1, 2007, is $16M ($4M multiplied by 4 equals $16M.)

Example 2: The Year 2 MARC is $16M. The Customer's actual revenue to the Telephone Company from September 1, 2008 to November 30, 2008 is $2.5M. The new Year 3 MARC, effective December 1, 2008, is $16M. (The $16.0M MARC is due to the fact that the MARC recalculation cannot result in a MARC lower than the current MARC.)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Inclusion of Contributory Subject Services

(1) The following are the only billed revenues that can be included in the MARC:

(a) Monthly billed recurring revenues, including (net) any credits or discounts given under existing pricing plans (e.g. Term Payment plans or Commitment Discount Plan), if applicable, for the Subject Services provided during the Term Period.

(b) Any credits and adjustments made to monthly billed amounts for Subject Services which are purchased by the Customer during the Term Period.

(c) All other charges, other than those listed in Section 41.107.4(B)(1), are excluded, including non-recurring charges.

Customer's existing Contributory Subject Services that are included in the MARC will be based on the rates that would apply to a five-year minimum term, regardless of whether the Contributory Subject Services were actually purchased pursuant to a five-year term at the time of subscription to this Contract Offer.

(C) Inclusion of Additional Contributory Services

Notwithstanding anything to the contrary herein, the Customer may, at its option, include in this Contract Offer any Contributory Services being provided to the Customer by the Telephone Company according to a tariff or contract offer other than this Contract Offer, provided, however, that the MARC must be increased to reflect the recurring annual revenues associated with the additional Contributory Services, as provided in Section 41.107.4. The Customer must provide written notice to the Telephone Company of its wish to exercise this option.

Example Year 1 MARC = $14.0M. If, during Year 1, Customer wishes to include $2M of annual spend currently purchased from the Telephone Company under another tariff or contract offer, and if those services qualify as Contributory Services, the new Year 1 MARC is $16.0M.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) MARC Adjustments

The Customer may exercise the following adjustments to the MARC pursuant to the terms listed below:

(1) Option 1 - The Customer may, at its option, adjust the MARC downward up to 10 percent. This adjustment can be made only one time during the Term Period, at any time after the first 24 months of the Term Period (i.e., beginning with the establishment of the Year 3 MARC). To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the Anniversary Date upon which the adjustment is to become effective.

(2) Option 2 - The Customer may carry over a shortfall of no more than 5 percent into the next contract year. This adjustment can be made only one time during the Term Period, at any time after the first 24 months of the Term Period (i.e., beginning with the establishment of the Year 3 MARC). To exercise this option, the Customer must notify the Telephone Company, in writing, at least sixty (60) days prior to the Anniversary Date upon which the adjustment is to become effective. If the Customer opts to carry over a shortfall, the Customer's next year MARC will be increased to reflect that shortfall amount. If at the end of the subsequent contract year, the Customer does not meet its MARC, the Customer must make a shortfall payment sufficient to achieve that year's MARC, or will be subject to termination liabilities as outlined in Section 41.107.4(E). This option cannot be combined with the MARC adjustment option as described in Section 41.107.4(D)(1).

The MARC adjustments described above shall apply prospectively only. If the Customer uses either of the MARC adjustment options in conjunction with any of the Merger and Acquisition options outlined in Section 41.107.9, reduced discounts will remain for the life of the Term Period, and discounts previously received during that contract year will not be re-rated, provided the Eligibility Criteria in Section 41.107.2 and the Terms and Conditions in Section 41.107.3 have been met prior to the MARC adjustment, and annual Billing Credits will no longer apply as detailed in Section 41.107.5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(E) Failure to Achieve the MARC

The Customer and the Telephone Company shall exchange information annually, and shall meet annually, if necessary, to review the Customer's progress toward achieving the MARC for the term years. The Customer and the Telephone Company agree that they will meet in the ninth month of each term year to discuss and address, if necessary, compliance with the Terms and Conditions of the Contract Offer prior to the Anniversary Date. If the Customer fails to achieve the annual MARC Commitment as of the Anniversary Date, the Customer will be notified by the Telephone Company and will be required to remit an Annual True-up payment to reach the MARC commitment. The True-up calculation will be performed as follows:

Annual MARC - Actual Annual recurring revenues for Subject Services = Annual True-up Amount

If the Customer fails to submit its Annual True-Up payment to the Telephone Company within thirty (30) days after notification from the Telephone Company, the Customer shall be deemed to have terminated its Contract Offer No. 107, and termination charges will apply as set forth in Section 41.107.11.

41.107.5 Discounts and Other Credits

(A) Discount Schedule and Application

On each Anniversary Date, the Customer shall be eligible to receive the following annual Billing Credit, as set forth in Table A, subject to the Customer's compliance with all Terms and Conditions of this Contract Offer. Credits will be applied to the Customer's bill no later than ninety (90) days after each Anniversary Date. Recurring revenue generated from Contributory Subject Services, that were not included in this Contract Offer at the time of subscription, are not eligible for discounts under this Contract Offer, unless and until those Contributory Subject Services have been added to this Contract Offer as permitted under this Contract Offer.

Table A

MARC Level	**Billing Credit**
$14,000,000	3.00%
$15,000,000	3.50%
$16,000,000	4.00%
$17,000,000	4.50%
$18,000,000	5.00%
$19,000,000	5.50%
$20,000,000	6.00%
$21,000,000	6.50%
$22,000,000	7.50%
$23,010,000	0%

MARC levels will be rounded up or down to the nearest $10,000.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

Example: If the Customer meets the minimum MARC of $14,000,000 for the sum of all Contributory Services, and has Subject Services revenue of $9,584,000, the Customer will be eligible to receive a credit of $295,620.

$9,854,000 X 3% = $295,620

41.107.6 Incentives

(A) Purchase of New Contributory Subject Services

(1) During the Term Period, the Customer may include eligible billed revenue, as described in Section 41.107.4(B), for the purchase of new Contributory Subject Services. Eligible billed revenue generated from new Subject Services shall count towards meeting the MARC when the Telephone Company determines achievement of the MARC and establishes the new MARC for the following year. The Telephone Company shall increase eligible billed revenue for the purchase of new Contributory Subject Services by 15 percent during the contract year the new Contributory Subject Services were purchased pursuant to this Contract Offer.

The calculation to determine if the Customer met the MARC requirements will be:

(New Subject Services purchased during the first contract year multiplied by 1.15) + Existing Contributory Subject Services = Total value of Contributory Subject Services.

Example: Year 1 MARC is $14M. Assume that the Customer's total monthly billed recurring revenues for new [(1)] Contributory Subject Services during the Term Year 1 was $1M. The Telephone Company will calculate the eligible billed revenue for new Contributory Subject Services and the Customer shall be deemed to have purchased $1,150,000 ($1.15M) in Contributory Subject Services. If the Customer had $13,000,000 ($13M) in other Contributory Subject Services, plus the calculated $1,150,000 ($1.5M) in new [(1)] revenue, then the customer shall deemed to have $14,150,00 ($14.15M) in eligible billed revenue for purposes of determining achievement of Year 1 MARC.

[(1)] See footnote (1) on page 41-1005.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.6 Incentives (Cont'd)

(A) Purchase of New Contributory Subject Services (Cont'd)

(2) The total value of Contributory Subject Services will then determine if the Customer achieves the MARC as described in Section 41.107.4, and/or has earned any incentive credits as described in Section 41.107.5.

(3) The increase value of eligible new Contributory Subject Services shall be used only to determine achievement of the MARC, and not for any other purposes. If the Customer fails to meet the MARC requirements, as stated in Section 41.107.4, after such calculation as described above, the Customer will be subject to the true-up provision as stated in Section 41.107.4(E).

(4) For purposes of this Contract Offer, any new [1] service purchased during the Term Period to be included for the purposes of receiving the incentive as described herein, must meet one of the following criteria:

(a) Must be newly ordered and provisioned during the Term Period; or

(b) Must be an upgrade of an existing Special Access service that was not previously a [1] service (e.g., upgrade of a DS1 or DS3 to a [1]) under the provisions set forth in other sections of this tariff.

[1] See footnote (1) on page 41-1005.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.6 Incentives (Cont'd)

(B) Conversion of DS1 or DS3 Capacity Loops:

During Contract Year 1 of this Contract Offer, Customers subscribed to this Contract Tariff who convert their DS1 or DS3 capacity loops, dedicated transport, or Expanded Extended Loops (**EELs**) provided by the Telephone Company as unbundled network elements (**UNEs**) to Special Access Service, the Telephone Company shall multiply the Customer's eligible billed revenue associated with such converted UNEs by 1.50 towards the achievement of the MARC. The converted services in Contract Years 2, 3, 4, and 5 will not receive the billed revenue multiplier towards the achievement of the MARC. This multiplier shall be used only to determine the billed revenue for Contributory Services for purposes of MARC achievement and establishing the new MARC for the following Contract Year, and not for any other purpose. The Customer shall provide a detailed list of circuits that have been converted to the Telephone Company within thirty (30) days of the end of Contract Year 1 for verification.

For example, if the customer converts $1M in UNEs to Special Access Services during the Contract Year 1, the customer shall be deemed to have purchased $1,500,000 ($1.50M) in Special Access DS1 Services for purposes of calculating the billed revenue for Contributory Services for achieving the MARC as described in section 41.107.4. In subsequent years, the converted UNE services would count as $1,000,000 ($1M) towards MARC calculations.

41.107.7 Non-Recurring Charges

(A) Conversion of Existing and UNE Services

The Telephone Company will waive installation non-recurring charges (NRCs) associated with the conversion of UNEs or existing special access services to Subject Services purchased pursuant to this Contract Offer, except for Access Order charges.

In addition, the Telephone Company will waive NRCs associated with the conversion of existing UNE circuits which are converted to Special Access Services under the terms of this Contract Offer.

(B) New Subject Services

The Telephone Company will waive applicable installation NRCs for new Subject Services purchased pursuant to this Contract offer, except for Access Order Charges.

(C) To receive credits for installation NRCs as defined in 41.107.7(B), the Customer must be in compliance with all Terms and Conditions of this Contract Offer. Additionally, if the Customer fails to meet the MARC on an Anniversary Date pursuant to Section 41.107.4(A), and/or fails to pay the Annual True-Up as defined in Section 41.107.4(E), termination liability charges will apply as set forth in Section 41.107.11.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.7 Non-Recurring Charges (Cont'd)

(D) In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis.

The Customer must pay all other applicable non-recurring charges, including, but not limited to, rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges, as described in SWBT Tariff F.C.C. No. 73, Section 5.3.2 for Contributory Subject Services pursuant to this Contract Offer.

41.107.8 Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of Contributory Subject Services. 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 these charges on a quarterly basis. In order to receive credits, or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer.

(B) The Customer shall be permitted to move and/or disconnect Contributory Subject Services from any of the identical Contract Offers, as described in Section 41.107.2(B).

(C) DS1 Services must have been in service for a minimum of one (1) month from the original installation date.

(D) DS3, [1] and [1] Services must have been in service for a minimum of one (1) year from the original installation date.

[1] See footnote (1) on page 41-1005.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.8 Portability (Cont'd)

(E) [1], [1], and [1] Services must have been in service for a minimum of three (3) years from the original installation date.

If, and to the extent that [1] becomes eligible for pricing flexibility, [1] may, at the Customer's option, become a Contributory Subject Service included in this Contract Offer. If so, such [1] service shall be eligible for portability, provided that, for each [1] circuit to be ported:

(1) facilities necessary to provide [1], as specified in SWBT Tariff F.C.C. No. 73, Section 43, exist at the end user location in which the circuit is being moved; and
(2) the circuit has been in service for a minimum of one (1) year from the original installation date.

41.107.9 Mergers and Acquisitions Involving the Customer

(A) The Terms and Conditions of Contract Offer No. 107 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 its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Contributory Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Contributory Services of the other company involved in the merger or acquisition will not be used in calculations of the MARC as discussed in Section 41.107.4.

(1) The Customer must be meeting MARC commitments, and all Eligibility Criteria and Terms and Conditions outlined in Sections 41.107.2 and 41.107.3 in order to exercise the provisions under this subsection.

(2) Recurring revenue from Contributory Services from the other entity involved in the merger or acquisition cannot be applied to, or eligible for, any incentives or discounts contained in this Contract Offer, except as expressly permitted by one of the provisions herein.

(3) The Customer shall have an option (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise this option in the manner provided herein, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the calculation of the MARC, as described in Section 41.107.4, nor will such revenues be eligible for any discounts provided under this Contract Offer.

[1] See footnote (1) on page 41-1005.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.9 Mergers and Acquisitions Involving the Customer (Cont'd)

(A) (Cont'd)

(4) The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. 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.

(5) If the Customer has selected, but not yet fully implemented, the option provided herein, the MARC, and any MARC adjustment calculation as provided in Section 41.107.4, will apply only to the Customer's original (pre-merger or acquisition) MARC, and will not include revenue from the other company involved in the merger or acquisition.

(6) The Telephone Company will calculate the actual recurring annual revenue of the other company involved in the merger or acquisition on the date the Customer elects the provision in this subsection, in the same manner such revenue would be calculated for purposes of performing the annual recalculation of the MARC under this Contract Offer. Until the Customer has fully implemented the option provided herein, the Customer will not be eligible to earn the MARC Billing Credits discussed in Section 41.107.5 (A) of this Contract Offer for revenue from the other company involved in the merger or acquisition. After the Customer has fully implemented the option provided herein, the Customer will be eligible for MARC Billing Credits provided in Section 41.107.5(A) for recurring annual revenue for the new combined MARC.

Notwithstanding the foregoing, if the Telephone Company is primarily responsible for a delay in the conversion of the eligible services to Contributory Services under this Contract Offer, MARC Billing Credits will continue to apply, and this Contract Offer will not be considered in default, provided, however, that each party shall exercise best efforts to comply.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.9 Mergers and Acquisitions Involving the Customer (Cont'd)

(B) Option

(1) The Customer must establish a combined MARC by adding to the Customer's then-current MARC at least 85 percent, but not more than 100 percent (at the Customer's option), of all recurring annual revenue for Contributory Services from the other company involved in the merger or acquisition. Recurring annual revenue for Contributory Services shall be calculated in a manner consistent with the annual recalculation of the MARC under this Contract Offer.

(2) The Customer must exercise this option within sixty (60) days following the Transaction Close Date.

(3) This option is not available in Year 5 of the Term Period.

41.107.10 Merger or Acquisition Involving the Telephone Company

(A) If the Customer purchases any interstate special access services from the merged or acquired company, and such special access services are, or become, eligible for pricing flexibility, the Customer may include those special access services in this Contract Offer, subject to any terms or conditions of any contracts as listed in SWBT Tariff F.C.C. No. 73, Section 41, or otherwise applicable tariff sections pursuant to which the Customer is purchasing such special access services prior to the merger or acquisition, including any terms or conditions regarding termination liability. If the Customer chooses to include the services subject to the merger or acquisition in this Contract Offer, they shall become Contributory Subject Services within the meaning of this Contract Offer at the time they are included in this Contract Offer. At the time such Contributory Subject Services are included in this Contract Offer, the MARC shall be recalculated, including both the recurring annual revenues of the Contributory Services provided to the Customer prior to the merger or acquisition and the recurring annual revenues of the additional Contributory Subject Services previously provided by the merged or acquired Company.

(B) The Customer must notify the Telephone Company in writing, within 120 days of the Transaction Close Date, of any Contributory Services from the merged or acquired company that Customer wishes to include in this Contract Offer. Discounts and credits specified in Section 41.107.5 will not apply to services from the merged or acquired company until the MARC has been recalculated to reflect the additional Contributory Services included in this Contract Offer as a result of the merger or acquisition. The MARC recalculation to include these services will occur at the Customer's next Anniversary Date following receipt of the Customer's written notice described above.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 - Special Access Service Offer (Cont'd)

41.107.11 Termination Liability

(A) Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section 7. If the Customer terminates Contract Offer No. 107 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), 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. The Customer must provide written notification ninety (90) days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer. If the Customer fails to meet any of the eligibility criteria in Section 41.107.2, or fails to meet any of the Terms and Conditions in Section 41.107.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 107, and termination liability charges will apply, as stated below, and will be payable pursuant to SWBT Tariff F.C.C. No. 73, Section 2.5.

The Customer's termination liability charge shall be equal to the following: If the Customer terminates the Contract Offer prior to the expiration of a term year, 100 percent of all Discounts (including non-recurring charges and early termination charges) received under Contract Offer No. 107 for the preceding six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 10 percent of the Base MARC for the remaining portion of Year 1, plus 10 percent of the Base MARC for the remaining years of the Term Period.

(2) If terminated in Year 2, 12.5 percent of the Year 2 MARC for the remaining portion of Year 2, plus 12.5 percent of the Year 2 MARC for the remaining years of the Term Period.

(3) If terminated in Year 3, 12.5 percent of the Year 3 MARC for the remaining portion of Year 3, plus 12.5 percent of the Year 3 MARC for the remaining years of the Term Period.

(4) If terminated in Year 4, 12.5 percent of the Year 4 MARC for the remaining portion of Year 4, plus 12.5 percent of the Year 4 MARC for Contact Year 5.

(5) If terminated in Year 5, 10 percent of the Year 5 MARC for the remaining portion of Contract Year 5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.107 Contract Offer No. 107 – Special Access Service Offer (Cont'd)

41.107.11 Termination Liability (Cont'd)

(B) New Special Access Service Offerings

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, the Customer will be permitted to enter into a new contract offer, or other contract 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 under this Contract Offer, provided, however, that the Customer's Contract Offer, or other contract or tariff governing the new service offerings, must include a term period and revenue commitment that are the same as, or greater than, this Contract Offer.

(C) This Section 41.107.11 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 107, except for charges due and payable for Contributory Services rendered prior to the date of termination, and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 41.107.7 and 41.107.11.

41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer

41.108.1 General Description

[1] Service Offer (Contract Offer No. 108) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.108.3 and the Terms and Conditions in Section 41.108.4 to purchase Subject Services in Section 41.108.2 at the discounted rates listed in Section 41.108.5. Subject Services provided under Contract Offer No. 108 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.108.3(B). Contract Offer No. 108 is available for subscription from February 7, 2007 through March 9, 2007. This Contract Offer is not renewable.

41.108.2 Subject Services

(A) Contract Offer No. 108 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No 73, Section [1] – [1] Service;

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.12 – MegaLink Custom Service.

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.108.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 108 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.108.2(A);

(B) Services must be located in the Houston, TX MSA;

(C) Subject Services ordered pursuant to this Contract Offer must be new; and

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

[1] Material previously contained in this section has been deleted. DSRS 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. 108 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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41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be three (3) years, commencing on the date billing begins. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in SWBT Tariff F.C.C. No. 73 for [1], DS3 and DS1 Service. 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 39.

(B) Rate stability under Contract Offer No. 108 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 41.108.5 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. Subject Services are also subject to general terms and conditions of SWBT F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(C) The Customer must submit a 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.

[1] See footnote (1) on page 41-1022.

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41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.4 Terms and Conditions (Cont'd)

(E) If the Customer discontinues service under Contract Offer No. 108 and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.108.9.

(F) Any additional service features or functions not included in Section 41.108.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to Section 39 - Metropolitan Statistical Area Access Services.

(G) The Customer must purchase, at minimum, the following services, all of which must be located in the Houston, TX MSA:

(1) One (1) [1] to be ordered within thirty (30) days of contract subscription.

(H) Termination liability shall be waived for any existing DS3 circuits placed on the new [1].

(I) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount Plan.

(J) Revenue associated with this Contract Offer 108 shall be counted towards revenue fulfillment of 41.94 Contract Offer No. 94 – Wireless Advantage Incentive Plan (WAMS-VIP) Offer.

[1] See footnote (1) on page 41-1022.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.5 Rates and Charges

(A) [1] Service Rates and Charges:

The discounted rates applicable to Subject Services under this Contract Offer shall be as provided in Table A.

Table A

[1] **Rate Elements**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-1022.

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41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, 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) or (B) 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.

[1] See footnote (1) on page 41-1022.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.7 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in 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.

41.108.8 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 offerings 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 conditions are met:

(1) The Customer must meet all eligibility requirements outlined in Section 41.108.3, and Terms and Conditions outlined in Section 41.108.4;

(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.

[1] See footnote (1) on page 41-1022.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.108 Contract Offer No. 108 – [1] Service Offer (Cont'd)

41.108.9 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of Tariff F.C.C. No. 73, Sections 7, 20, [1] and [1]. If the Customer discontinues services and/or terminates this Contract Offer before the completion of the Term Period for any reason, except as provided in Section 41.108.8, 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 the Eligibility Criteria in Section 41.108.3 or the Terms and Conditions in Section 41.108.4.

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:

Fifty (50) percent of all Monthly Recurring Charges (MRCs) for the balance of the Customer's five (5) year Term Period for all services under contract.

Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRCs) multiplied by (Months remaining in billing) multiplied by (Termination percentage of fifty (50) Percent)

Example: A Customer with a $75,000 MRC terminates service after one (1) year, and has twenty-four (24) months remaining on the three (3) year Term Period. The termination liability would be calculated as:

($75,000 X 24 months) X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-1022.

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41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 109 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.

41. [1]

[1] See footnote (1) on page 41-1029.

41. [1]

[1] See footnote (1) on page 41-1029.

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41. [1]

[1] See footnote (1) on page 41-1029.

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41. [1]

[1] See footnote (1) on page 41-1029.

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41. [1]

[1] See footnote (1) on page 41-1029.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer

41.110.1 General Description

[1] Offer (Contract Offer No. 110) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.110.3 and the Terms and Conditions in Section 41.110.4 to purchase Subject Services defined in Section 41.110.2 at discounted rates listed in Section 41.110.5. Subject Services provided under Contract Offer No. 110 are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) described in Section 41.110.3(B). Contract Offer No. 110 is available for subscription from February 14, 2007 through March 16, 2007. This Contract Offer is not renewable.

41.110.2 Subject Services

(A) Contract Offer No. 110 applies to the following pricing flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section [1] – [1] Services

(2) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.12 – MegaLink Custom Services

(3) Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.7 – High Capacity Services

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.110.3 Eligibility Criteria

The following Eligibility Criteria must be met to receive the Contract Offer No. 110 discounted rates:

(A) Services must be Subject Services as described in Section 41.110.2(A).

(B) Services must be located in the Brownsville-Harlingen, TX MSA and/or the McAllen-Edinburg-Mission, TX MSA.

[1] Material previously contained in this section has been deleted. OCN PTP 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. 110 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.3 Eligibility Criteria (Cont'd)

(C) Subject Services ordered pursuant to this contract must be new.

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC)

41.110.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years commencing on the date billing begins.

At the expiration of the Term Period, the Customer may choose from the payment options described in Southwestern Bell Telephone Company Tariff F.C.C. No. 73 for [1] Service, DS3 and DS1 Service. 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 39.

(B) General

(1) Rate stability under Contract Offer No. 110 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Tables in Section 41.110.5 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. Subject Services are also subject to general terms and conditions of F.C.C. Tariff No. 73 and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(2) In order to subscribe to Contract Offer No. 110, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(3) 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 documented actual costs incurred by the Telephone Company up to the date of cancellation.

(4) If the Customer discontinues service under Contract Offer No. 110 during the Term Period, termination liability charges will apply in accordance with Section 41.110.8.

(5) Any additional service, features or functions not included in Section 41.110.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company, according to Section 39 - Metropolitan Statistical Area Access Services.

(6) The Customer must purchase, at minimum, the following services, all of which must be located in the Brownsville-Harlingen, TX MSA and/or the McAllen-Edinburg-Mission, TX MSA:

(a) One (1) new [1] Service to be ordered within thirty (30) days of contract subscription;

(b) Eighty (80) new subtending DS1 services to be ordered within twenty-four (24) months of contract subscription; and

(c) Ten (10) new subtending DS3 services to be ordered within twenty-four (24) months of contract subscription.

(7) All DS3 and DS1 elements listed in Section 41.110.5 must subtend [1] Service, ordered pursuant to this Contract Offer.

(8) The Customer may not combine this Contract Offer with any other promotion, contract offering, or discount plan.

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(9) Upgrade Option

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 offerings 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 Customer's contract offer or other contract or tariff governing the new service offerings must include a term period and billing equal to, or greater than, those of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:

(a) The Customer must meet all Eligibility Requirements outlined in Section 41.110.3 and Terms and Conditions outlined in Section 41.110.4.

(b) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

(c) 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.

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(10) Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves of Subject Services purchased under this Contract Offer No. 110, 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] Subject Services must have been in service for a minimum of two (2) years to be eligible for portability.

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.5 Rates and Charges

(A) OC-12 Dedicated Ring Service Rates and Charges

The Customer shall pay the Monthly Recurring Charges (MRCs) for OC-12 SONET OCN PTP provided in Table A, below. NRCs for the purchase of these services shall be waived.

Table A

[1] **Rate Element**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

(B) Subtending DS3 Service Rates and Charges

The Customer will pay the rates for Megalink Custom DS3 Service provided in Table B, below. Rate elements for DS3 service not set forth in the table below shall be billed at prevailing tariff rates. NRCs for DS3 service shall be waived.

Table B

DS3 Rate Element	**USOC**	**MRC**
DS3 CHANNEL TERMINATION - Per Point of Termination	TUZPX	$780.00
Transport Mileage - Fixed	1OXHX	$360.00
Transport Mileage - Variable	1J5HS	$36.00
CENTRAL OFFICE MULTIPLEXING - DS3 to DS1	MKM	$380.00

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.5 Rates and Charges (Cont'd)

(A) Subtending DS1 Service Rates and Charges

The Customer will pay the rates for High Capacity DS1 Service provided in Table C, below. Rate elements for DS1 service not set forth in the table below shall be billed at prevailing tariff rates. NRCs for DS1 service are waived.

Table C

DS1 RATE ELEMENT	USOC	MRC
DS1 CHANNEL TERMINATION - Per Point of Termination	TMECS	$78.20
INTEROFFICE CHANNEL MILEAGE FIXED per Termination	1L5XX	$28.90
Mileage, PER MILE	1L5XX	$8.50
CENTRAL OFFICE MULTIPLEXING - DS1 to VOICE	MQ1	$136.00

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, 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) or (b) 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:

(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.

41.110.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

[1] See footnote (1) on page 41-1035.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.110 Contract Offer No. 110 – [1] Offer (Cont'd)

41.110.8 Termination Liability

Termination liability shall apply as described below, in lieu of the termination liability provisions of F.C.C. No. 73, Section 39. If the Customer terminates this Contract Offer before the completion of the term period for any reason, 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 the Eligibility Criteria in Section 41.110.3 or the Terms and Conditions in Section 41.110.4 of this contract.

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:

Fifty (50) percent of all MRCs for the balance of the Customer's five (5) year Term Period for all services under contract ([1], DS3 and DS1 services). Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Services. Prevailing tariff rates are described in Section 7 for Phase 1 MSAs and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRC) multiplied by (Months remaining in billing) multiplied by (Termination percentage of fifty (50) percent)

Example: A Customer with a $25,000 MRC terminates service after three(3) years and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

($25,000 X 24 months) X 50% = $300,000 termination liability charge

[1] See footnote (1) on page 41-1035.

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 111 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.

41. [1]

[1] See footnote (1) on page 41-1044.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1044.

41. [1]

[1] See footnote (1) on page 41-1044.

41. [1]

[1] See footnote (1) on page 41-1044.

41. [1]

[1] See footnote (1) on page 41-1044.

41. [1]

[1] See footnote (1) on page 41-1044.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 112 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1051.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1051.

41. [1]

[1] See footnote (1) on page 41-1051.

41. [1]

[1] See footnote (1) on page 41-1051.

41. [1]

[1] See footnote (1) on page 41-1051.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1051.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 113 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1058.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1058.

41. [1]

[1] See footnote (1) on page 41-1058.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1058.

41. [1]

[1] See footnote (1) on page 41-1058.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer

41.114.1 General Description

Contract Offer No. 114, Self-Healing Transport Network (STN) Option 6 is an access discount pricing plan that permits customers located in the Kansas City, Missouri Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) to pay the discounted rates in Section 41.114.5 for the purchase of one (1) new Self-Healing Transport Network (STN) Volume Option 6 for a five (5) year term.

This Contract Offer is available for subscription from March 23, 2007 to April 23, 2007. This offer is not renewable.

41.114.2 Service Qualifications

This Contract Offer applies to pricing-flexibility-qualified service (hereafter referred to as Subject Service) as provided in Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 19.1 - Self-Healing Transport Network.

Subject Service provided under this Contract Offer shall be located in the Kansas City, Missouri MSA.

41.114.3 Eligibility Criteria

The following eligibility criteria must be met in order to receive Contract Offer No. 114:

(A) Service must be a Subject Service listed in Section 41.114.2; and

(B) Service must be for one (1) new installation of a STN Volume Option 6.

41.114.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be five (5) years, commencing on the date billing begins.

Upon expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing five (5) year rates as specified in Section 39.5.2.11, unless the Customer:

(1) Selects an applicable Term Pricing Plan described in Section 19.3, or
(2) Disconnects the Subject Services.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 - Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.4 Terms and Conditions (Cont'd)

(B) General

(1) Subject Service provided under this Contract Offer is subject to certain rates, charges and general Terms and Conditions described in Sections 2, 5 and 13, as applicable.

(2) All Terms and Conditions for the Subject Service provided under this Contract Offer shall continue to be governed by the otherwise applicable tariff sections, except as noted herein.

(3) The Customer shall not include Subject Service provided under this Contract Offer with any other contract offer, promotional offering, or other discount plan (e.g. MVP).

(4) To subscribe to this Contract Offer, the Customer must provide the Telephone Company a Letter of Subscription (LOS).

(5) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(6) If the Customer discontinues service under this Contract Offer during the Term Period, Termination Liability shall apply in accordance with Section 41.114.8.

(7) 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 Customers must pay cancellation charges, which are the actual costs incurred by the Telephone Company up to the date of cancellation.

(8) The Customer must purchase one (1) new STN Volume Option 6 pursuant to this Contract Offer, as configured and described in Section 41.114.5, at discounted rates found in section 41.114.5.

(9) If the Customer request additional service features and functions not included in Section 41.114.5, herein, the Customer will pay the tariff rates for those additions as contained in Section 39 - Metropolitan Statistical Area Access Services, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(10) 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 offerings from the Telephone Company, in substitution for the Subject Service provided under this Contract Offer, without incurring termination liability under this Contract Offer, and with billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:

(i) The Customer must meet all eligibility requirements outlined in Section 41.114.3, and Terms and Conditions outlined in Section 41.114.4; and

(ii) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.5 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The following MRCs shall apply to the following rate elements for the Subject Service provided under this Contract Offer listed in Table A, below:

Table A

Rate Elements	**USOC**	**Qty**	**Rate**	**MRCs**
DTL Vol Opt 6 – Basic configuration	SHKBX	1	$5,616.00	$5,616.00
STN Transport – per mile	1T5QS	6	$ 84.24	$505.44
Multiplexing	MKQ	4	$ 390.00	$1,560.00
Total MRCs				$7,681.44

(B) Non-Recurring Charges (NRCs):

Prevailing tariff NRC waivers for Self-Healing Transport Network (STN) shall apply.

Any rate elements not described herein will be subject to the applicable rates and charges outlined in MSA Section 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, 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's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 41.114.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.7 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.114 Contract Offer No. 114 – Self-Healing Transport Network (STN) Option 6 Service Offer (Cont'd)

41.114.8 Termination Liability

During the Term Period of the Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in Section 19.3. Termination charges shall become due as of the effective date of the termination.

If the Customer terminates this Contract Offer or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge which shall be equal to 50 percent of all recurring charges for the balance of the five (5) year Term Period, and will be calculated as follows:

(MRC) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of 50 percent) = Termination Charge

Example:
Contract Offer with an MRC of $7,600.00 is terminated after forty-eight (48) months, and has twelve (12) months remaining in the five (5) year term period. The termination charge shall be:

$7,600.00 X 12 months X 50 percent = $45,600 = Termination Charge

If the Customer disconnects rate elements on the Subject Service provided under this Contract Offer prior to the completion of the Term Period, the Customer will be liable for a termination charge which shall be equal to 50 percent of the MRC for the rate element for the balance of the Service Term, and will be calculated as follows:

(MRCs) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of 50 percent) = Termination Charge

Example: MRC equals $390.00 and is disconnected after fifty-two (52) months, with eight (8) months remaining in a five (5) year Term Period. The termination charge shall be:

$390.00 X 8 months x 50 percent = $1,560.00 = Termination Charge

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 115 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.

41. [1]

[1] See footnote (1) on page 41-1071.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1071.

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41. [1]

[1] See footnote (1) on page 41-1071.

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41. [1]

[1] See footnote (1) on page 41-1071.

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41. [1]

[1] See footnote (1) on page 41-1071.

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41. [1]

[1] See footnote (1) on page 41-1071.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1071.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer

41.116.1 General Description

[1] Service Offer (Contract Offer No. 116) is an access services discount pricing plan which permits Customers that meet the Eligibility Criteria in Section 41.116.3 and the Terms and Conditions in Section 41.116.4 to purchase Subject Services in Section 41.116.2 at the discounted rates listed in Section 41.116.5. Subject Services provided under Contract Offer No. 116 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.116.3(B). Contract Offer No. 116 is available for subscription from March 24, 2007 through April 24, 2007. This Contract Offer is not renewable.

41.116.2 Subject Services

(A) Contract Offer No. 116 applies to the pricing flexibility qualified access services (Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No 73, Section [1] – [1]; and

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.12 – MegaLink Custom Service.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.116.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 116 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.116.2(A);

(B) Services must be located in the Houston, TX MSA;

(C) Subject Services ordered pursuant to this Contract Offer must be new; and

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

[1] Material previously contained in this section has been deleted. DSRS 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. 116 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be three (3) years, commencing on the date billing begins. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in SWBT Tariff F.C.C. No. 73 for [1], DS3 and DS1 Service. 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 39.

(B) Rate stability under Contract Offer No. 116 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 41.116.5 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. Subject Services are also subject to general terms and conditions of SWBT F.C.C. Tariff No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(C) The Customer must submit a 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.

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.4 Terms and Conditions (Cont'd)

(E) If the Customer discontinues service under Contract Offer No. 116 and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.116.9.

(F) Any additional service features or functions not included in Section 41.116.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to Section 39 - Metropolitan Statistical Area Access Services.

(G) The Customer must purchase, at minimum, one (1) new [1] in the Houston, TX MSA pursuant to this Contract Offer. The Customer must submit its access service order for the new [1] within thirty (30) days of contract subscription.

(H) The Customer may, at its option, add existing MegaLink Custom Service DS3 circuits to the new [1] provided under this Contract Offer. The Telephone Company shall waive any termination liability charges associated with the move and/or disconnection of these existing circuits to the new [1]. The Customer must submit its order to move and/or disconnect any existing MegaLink Custom Service DS3 circuits to be added to the new [1] within thirty (30) days of contract subscription.

(I) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount plan, provided, however, that the revenue associated with Subject Services provided pursuant to this Contract Offer No. 116 shall be counted toward fulfillment of the revenue requirements of Contract Offer No. 94 – Wireless Advantage Incentive Plan (WAMS-VIP) Offer, if the Customer also subscribes to that Contract Offer.

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.5 Rates and Charges

(A) [1] Service Rates and Charges:

The discounted rates applicable to Subject Services under this Contract Offer shall be as provided in Table A.

Table A

[1] **Rate Elements**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, 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'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 in determining the credit worthiness of the assignee or transferee based on any information available.

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

41.116.8 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 offerings 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 conditions are met:

(1) The Customer must meet all eligibility requirements outlined in Section 41.116.3, and Terms and Conditions outlined in Section 41.116.4; and

(2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

(B) 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.

(C) Revenues attributable to services provided as a result of a technology upgrade subject to this provision will not be counted toward fulfillment of the revenue requirements of Contract Offer No. 94 – Wireless Advantage Incentive Plan (WAMS-VIP) Offer.

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.116 Contract Offer No. 116 – [1] Service Offer (Cont'd)

41.116.9 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of Tariff F.C.C. No. 73, Sections 7, 20, [1] and [1]. If the Customer discontinues services and/or terminates this Contract Offer before the completion of the Term Period for any reason, except as provided in Section 41.116.8, 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 the Eligibility Criteria in Section 41.116.3 or the Terms and Conditions in Section 41.116.4.

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:

Fifty (50) percent of all Monthly Recurring Charges (MRCs) for the balance of the Customer's five (5) year Term Period for all services under contract.

Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRCs) multiplied by (Months remaining in billing) multiplied by (Termination percentage of fifty (50) Percent)

Example: A Customer with a $75,000 MRC terminates service after one (1) year, and has twenty-four (24) months remaining on the three (3) year Term Period. The termination liability would be calculated as:

($75,000 X 24 months) X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-1079.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.117 Contract Offer No. 117– Price Flex MARC and Discount Freeze Option

41.117.1General Description

Contract Offer No. 117 - The Price Flex MARC and Discount Freeze Option permits the modification of certain contract offers set forth in Southwestern Bell Telephone Company (SWBT) Tariff No. 73, Section 41, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.117 Contract Offer No. 117 – Price Flex MARC and Discount Freeze Option (Cont'd)

41.117.2 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 SWBT Tariff No. 73, Section 41, 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.

41.117.3 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.117 Contract Offer No. 117 – Price Flex MARC and Discount Freeze Option (Cont'd)

41.117.3 Terms and Conditions (Cont'd)

(C) The Telephone Company shall make such billing adjustments as may be necessary to implement Section 41.117.3(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.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 118 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.

41. [1]

[1] See footnote (1) on page 41-1089.

41. [1]

[1] See footnote (1) on page 41-1089.

41. [1]

[1] See footnote (1) on page 41-1089.

41. [1]

[1] See footnote (1) on page 41-1089.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1089.

ACCESS SERVICE

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 119 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1095.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1095.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1095.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1095.

41. [1]

[1] See footnote (1) on page 41-1095.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. GigaMAN 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. 120 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1101.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1101.

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41. [1]

[1] See footnote (1) on page 41-1101.

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[1] See footnote (1) on page 41-1101.

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41. [1]

[1] See footnote (1) on page 41-1101.

41. [1]

[1] See footnote (1) on page 41-1101.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1101.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer

41.121.1 General Description

Contract Offer No. 121 - Special Access Bundle Service Offer is an access discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.121.3, and the Terms and Conditions in Section 41.121.4, to purchase Subject Services in Section 41.121.2 at the discounted rates listed in Section 41.121.5. Subject Services under Contract Offer No. 121 are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 41.121.3 (B).

Contract Offer No. 121 is available for subscription from May 26, 2007 through June 26, 2007. This Contract Offer is not renewable.

41.121.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section [1] – [1];

(2) SWBT Tariff F.C.C. No. 73, Section [1] – [1]; and

(3) SWBT Tariff F.C.C. No. 73, Section 20 - MegaLink Custom Services.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.121.3 Eligibility Criteria

The following Eligibility Criteria must be met to receive Contract Offer No. 121 discounted rates.

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.121.2(A).

(B) Subject Services must be located in the Dallas/Fort Worth, Houston, McAllen-Edinburg-Mission and/or Corpus Christi, TX and Lawton, OK, MSAs.

(C) The [1] Subject Service ordered pursuant to this Contract Offer must be an upgrade of an existing Self-Healing Transport Network (STN) VO24 and VO48 to an [1].

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 121 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.4 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 Section 39, unless the Customer selects a payment plan, described in Sections 20, [1] or [1], as applicable.

(B) General

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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.

(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. 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. 121 during the Term Period, or if the Customer breaches the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in accordance with Section 41.121.8.

[1] See footnote (1) on page 41-1109.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

(7) The Customer must upgrade one (1) existing STN VO24 and one (1) existing VO48 to one (1) new [1], and must purchase one (1) new [1].

(8) The Customer must renew seventy-eight (78) DS3 services that subtend the existing STN VO48 to subtend the new [1].

(9) The Customer must renew eight (8) DS3 services that currently do not subtend the existing STN VO24 or VO48.

(A) Service Terms

(1) The minimum term commitment for each Subject Service purchased and/or renewed under this Contract Offer (Service Term) will be eighty-four (84) months. The Service Term for renewed Subject Services is co-terminus with the Term Period of this Contract Offer. The Service Term for new Subject Services commences when billing begins for that Subject Service.

(2) If the Customer disconnects a Subject Service before completion of the Service Term during the Term Period, or the Customer breaches the terms or conditions of this Contract Offer or any of the other applicable tariff provisions, termination charges shall apply in accordance with Section 41.121.8.

[1] See footnote (1) on page 41-1109.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.5 Rates and Charges

(A) [1] Rates and Charges

The Customer must pay the following Monthly Recurring Charge (MRC) listed in Table A, below, for the new [1] ordered under this Contract Offer:

Table A

MRC	**$90,000.00**	
[1]	**USOC**	**Quantity**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

The Customer may purchase additional [1] elements at the MRCs listed in Table B, below:

Table B:

Description	**USOC**	**MRC**
[1]	[1]	[1]
	[1]	[1]
[1]	[1]	
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

If a node is added after the initial installation of the [1], the new node will be co-terminus with the initial Term Period. However, if a node is added during the last twelve (12) months or less of the Term Period, the Customer will be billed the node MRC for a minimum period of twelve (12) months.

Any rate elements not described in Table A or B will be subject to the applicable tariff rates provided in Sections [1] and [1].

[1] See footnote (1) on page 41-1109.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.5 Rates and Charges (Cont'd)

(B) [1] Rates and Charges

The Customer must pay the following MRC listed in Table C, below, for the new [1] ordered under this Contract Offer:

Table C:

MRC	$3,750.00	
[1]	USOC	Quantity
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Any rate elements not described in Table C will be subject to the applicable tariff rates provided in Sections [1] and [1].

(C) DS3 Rates and Charges

The Customer must pay the MRC listed in Table D, below, for seventy-eight (78) existing DS3s renewed to subtend the new [1] ordered under this Contract Offer:

Table D

MRC	$50,000.00	
DS3 Service	USOC	Quantity
DS3 Channel Termination	TUZP*	6
DS3 Interoffice Fixed Mileage	10XLX	12
Interoffice Variable Mileage (per mile)	1HXLS	57
DS3 to DS1 Multiplexer	MKM	70

The Customer must pay the MRCs listed in Table E, below, for new DS3s ordered to subtend the new [1] ordered under this Contract Offer.

Table E

Rate Element	USOC	MRC
DS3 Channel Termination per	TUZP*	$800.00
DS3 Interoffice Fixed Mileage per	10XLX	$485.00
Interoffice Variable Mileage (per mile)	1HXLS	$45.00
DS3 to DS1 Multiplexer per	MKM	$425.00

[1] See footnote (1) on page 41-1109.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.121. Contract Offer No. 121 – Special Access Bundle Service Offer (Cont'd)

41.121.5 Rates and Charges (Cont'd)

(C) DS3 Rates and Charges (Cont'd)

The Customer must pay the following MRC listed in Table F, below, for the renewal of five (5) existing DS3s configured in Table F, below:

Table F

MRC per DS3	$1,100.00	
Rate Element	**USOC**	**QTY**
DS3 Interoffice Fixed Mileage	10XLX	1
Interoffice Variable Mileage (per mile)	1HXLS	19
DS3 to DS1 Multiplexer	MKM	1

The Customer must pay the MRC listed in Table G, below, for the renewal of two (2) existing DS3s configured as provided in Table G, below:

Table G

MRC per DS3	$1,390.00	
Rate Element	**USOC**	**QTY**
DS3 Channel Termination per	TUZP*	1
DS3 to DS1 Multiplexer	MKM	1

The Customer must pay the MRC listed in Table H, below, for the renewal of one (1) existing DS3, configured as provided listed in Table H, below:

Table H

MRC per DS3	$3,400.00	
Rate Element	**USOC**	**QTY**
DS3 Channel Termination per	TUZP*	1
DS3 Interoffice Fixed Mileage	10XLX	1
Interoffice Variable Mileage (per mile)	1HXLS	78
DS3 to DS1 Multiplexer	MKM	1

Any rate element not described in Tables D through H will be subject to the applicable tariff rates provided in Section 20.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Tariff F.C.C. No. 73, Section 2.2.1, 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 Subsections (A) or (B) of this Section 41.121.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.7 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.121 Contract Offer No. 121 - Special Access Bundle Service Offer (Cont'd)

41.121.8 Termination Liability

Termination liability language, described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 20, [(1)], and [(1)]. If the Customer discontinues services provided under this Contract Offer before the completion of the Term Period for any reason, 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 Term Year Termination Percentage
1 – 5 50%
6 – 7 5%

The termination liability charge shall be calculated as
follows:

MRC multiplied by (Months remaining in billing) multiplied by (Termination percentage)

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 X 48 months) X 50% = $2,400,000 termination liability charge

Example 2: A Customer with a $100,000 MRC terminates service after six (6) years, and has twelve months(12) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($100,000 X 12 months) X 5% = $60,000 termination liability charge

[(1)] See footnote (1) on page 41-1109.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 122 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.

41. [1]

[1] See footnote (1) on page 41-1118.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1118.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1118.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1118.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1118.

41. [1]

[1] See footnote (1) on page 41-1118.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 123 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1125.

41. [1]

[1] See footnote (1) on page 41-1125.

41. [1]

[1] See footnote (1) on page 41-1125.

41. [1]

[1] See footnote (1) on page 41-1125.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1125.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DecaMAN® 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. 124 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.

41. [1]

[1] See footnote (1) on page 41-1131.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1131.

41. [1]

[1] See footnote (1) on page 41-1131.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1131.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1131.

41. [1]

[1] See footnote (1) on page 41-1131.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.125 Contract Offering No. 125 – ReliaNet Service Offer (Cont'd)

41.125.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be one (1) year, commencing on the date the Telephone Company receives the signed Letter of Subscription from the Customer.

If the Customer elects to continue services at the expiration of the Term Period, the Customer may choose from the payment options described in Section 39.

If the Customer does not elect an option described above at the expiration of the Term Period, the Subject Services will be converted to the prevailing applicable monthly extension rates found in Section 39.

(B) General Terms and Conditions

(1) Contract Offer No. 125 is available for subscription only from May 31, 2007 through July 1, 2007.

(2) Subject Services provided under this Contract Offer are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, Sections 2, 5 and 13, as applicable.

(3) All Terms and Conditions for the Subject Services provided under this Contract Offer No. 125 shall continue to be governed by the otherwise applicable tariff sections, except as noted herein.

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

(5) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(6) If the Customer discontinues Service under this Contract Offer during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any other applicable tariff provision, Termination Liability shall apply in accordance with Section 41.125.8.

(7) If the Customer requests additional service features and functions not included in Section 22.125.5, the Customer will pay the tariff rates for the additional services, as contained in Section 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.125 Contract Offering No. 125 – ReliaNet Service Offer (Cont'd)

41.125.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(8) Rate stability during the Term Period applies only to the rates specific to Contract Offer No. 125, as listed in Section 41.125.7.

(9) The Customer may not subscribe to or include Subject Services in any other promotional, contract offering, or discount plan in conjunction with this Contract Offer.

41.125.5 Rates and Charges

The Customer must pay the Monthly Recurring Charge (MRC) for each rate element listed in Table A. Any rate elements not described below will continue to be billed at tariff rates as described in Section 39.

Table A – Monthly Recurring Charges for Subject Services:

Rate Element	Applicable USOC	MRC
per MAC Opt.-A [SVO(48)]	N8P	$21,042.63

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.125 Contract Offering No. 125 – ReliaNet Service Offer (Cont'd)

41.125.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Tariff F.C.C. No. 73, Section 2.2.1, 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 41.125.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.125 Contract Offering No. 125 – ReliaNet Service Offer (Cont'd)

41.125.7 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.125 Contract Offering No. 125 – ReliaNet Service Offer (Cont'd)

41.125.8 Termination Liability

If the Customer terminates Contract Offer No. 125, or if the Customer breaches any of the Terms or Conditions of this Contract Offer or any other applicable tariff provision, the termination liability language contained below applies in lieu of termination liability language contained in Section 31. The Customer must pay to the Telephone Company termination liability charges as described below if the Customer terminates Contract Offer No. 125 before the completion of the Term Period for any reason, or if the Customer is not in compliance with the Terms and Conditions described in Section 41.125.4. These charges shall become due as of the effective date of the termination and are payable within thirty (30) days of the billing invoice date. The Customer's termination liability charges for termination of service shall be equal to:

Fifty (50) percent of all MRCs for the balance of the Customer's one (1) year Term Period.

The termination liability charge will be calculated as follows:

MRCs multiplied by (Months Remaining in Term Period), multiplied by (Termination liability percentage of 50%).

Example: Customer has $20,000 in MRCs. If the Customer terminates service after six (6), months and has six (6) months remaining in a twelve (12) month Term Period, then the termination liability would be calculated as:

$20,000 X 6 months X 50% = $60,000 Termination Liability

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.2 Contract Terms

(A) Contract Offering No. 126 is available during the purchase period, which begins June 1, 2007 and ends October 31, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 126.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B), and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 126, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.2Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 126 is one (1) year, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(B) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 126 will be automatically converted to the applicable monthly renewal rate, found in Section 41.126.3 (B). The Customer may terminate Contract Offering No. 126 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 126 upon thirty (30) days written notice any time following the completion of the initial contract term.

(C) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(D) No other discount pricing plans apply.

(E) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 126.

(F) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 126 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.126.2(L). The termination charge for Contract Offering No. 126 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(G) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 126 terminated, and the termination charges described in 41.126.2(J) will apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the Non-Recurring Charge (NRC) to install service as reflected in Section 41.126.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.2Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 126 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.126.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user's premises to which Contract Offering No. 126 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 126.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 126.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 126 terminated. If Contract Offering No. 126 is terminated during the initial contract term, the termination charges described in Section 41.126.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which the service will be provided.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.2Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.126.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.126.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table (A), herein, are one-time charges that apply for specific work activities.

(a) An NRC applies for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.126 Contract Offering No. 126 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.126.3 Rate Regulations (Cont'd)

(A) Types of Rates and Charges (Cont'd)

(1) Monthly Recurring Charges (MRCs), as listed in Table A, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table (A)

	MRC	NRC	CRIS USOC	CABS USOC
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term

41.127.1General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements, as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.2 Contract Terms

(A) Contract Offering No. 127 is available during the purchase period, which begins June 1, 2007 and ends October 31, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 127.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 127, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.2 Contract Terms (Cont'd)

(E) The initial contract term for Contract Offering No. 127 is two (2) years, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 127 will be automatically converted to the applicable monthly renewal rate, found in Section 41.127.3 (B). The Customer may terminate Contract Offering No. 127 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 127 upon thirty (30) days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 127.

(J) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 127 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.127.2(L). The termination charge for Contract Offering No. 127 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 127 terminated, and termination charges described in Section 41.127.2(J) will apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the NRC to install service as reflected in Section 41.127.3(B).

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41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 127 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.127.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user's premises to which Contract Offering No. 127 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 127.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 127.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 127 terminated. If Contract Offering No. 127 is terminated during the initial contract term, the termination charges described in Section 41.127.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.127.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.127.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table B, herein, are one-time charges that apply for specific work activities.

(a) An NRC does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.127 Contract Offering No. 127 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.127.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(1) MRCs, as listed in Table B, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table B

	MRC	NRC	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term

41.128.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements, as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.128.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.128.2 Contract Terms

(A) Contract Offering No. 128 is available during the purchase period, which begins June 1, 2007 and ends October 31, 2007.

(B) Southwestern Bell Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 128.

(1) The Access Order Charge, described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 128, is the initial contract term.

(5) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.128.2 Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

(B) The initial contract term for Contract Offering No. 128 is three (3) years, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 128 will be automatically converted to the applicable monthly renewal rate, found in Section 41.128.3 (B). The Customer may terminate Contract Offering No. 128 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 128 upon thirty (30) days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 128.

(G) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 128 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.128.2(L). The termination charge for Contract Offering No. 128 is 50 percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 - Access Advantage Plus Transport Service - Three Year Term (Cont'd)

41.128.2 Contract Terms (Cont'd)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 128 terminated, and the termination charges described in Section 41.128.2(J) will apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The Customer may elect to discontinue Contract Offering No. 128 at any time prior to the expiration of the initial contract term without incurring the termination charges described in Section 41.128.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user's premises to which Contract Offering No. 128 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 128.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 128.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.128.2 Contract Terms (Cont'd)

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and will be maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 128 terminated. If Contract Offering No. 128 is terminated during the initial contract term, the termination charges described in Section 41.128.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which the service will be provided.

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.128.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41. Pricing Flexibility Contract Offering (Cont'd)

41.128 Contract Offering No. 128 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.128.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table C, below, are one-time charges that apply for specific work activities.

(a) An NRC does not apply for installation of each AA+ Transport Service and to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) MRCs, as listed in Table C, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table C

	MRC	NRC	CRIS USOC	CABS USOC
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer

41.129.1 General Description

Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer is an access discount pricing plan that provides the Customer located in the Dallas/Ft. Worth, TX Metropolitan Statistical Area (MSA) with discounted rates for one (1) new Self-Healing Transport Network (STN) Volume Option 3 on a sixty (60) month term that meets the Eligibility Criteria listed in Section 41.129.3, below.

This Contract Offer is available for subscription from June 2, 2007 to July 2, 2007. This offer is not renewable.

41.129.2 Service Qualifications

(A) This Contract Offer applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 19.1 – Self-Healing Transport Network; and

(B) Subject Services provided under this Contract Offer shall be located in the following Pricing Flexibility MSA: Dallas/Ft. Worth, TX.

41.129.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) Service must be a Subject Service listed in Section 41.129.2; and

(B) Service must be for a new installation of an STN Volume Option 3.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty (60) months, commencing on the date billing begins after the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer.

Upon expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing sixty (60) month rates described in Section 39.5.2.11, unless the Customer:

(1) Selects an applicable Term Pricing Plan/Optional Payment Plan described in Section 19.3; or

(2) Disconnects the Subject Services.

(B) General

(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 in the SWBT Tariff F.C.C. No. 73, as applicable.

(2) All Terms and Conditions for the Subject Services provided under this Contract Offer 129 shall continue to be governed by the otherwise applicable tariff sections, except as noted herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer 129 with any other contract offer, promotional offering, or other discount plan (e.g. MVP).

(4) The Customer must purchase one (1) new Self-Healing Transport Network (STN) Volume Option 3 Service pursuant to this Contract Offer as configured and described in Section 22.129.5 at the discounted rates found in Section 22.129.5.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(5) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a signed LOS for Contract Offer 129. Within thirty (30) days of submitting a signed LOS, the Customer must submit its access order for the new Subject Service pursuant to this 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 discontinues service under this Contract Offer during the Term Period, termination liability shall apply in accordance with Section 41.129.8.

(8) 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. Cancellation requests must be in writing.

(9) The Telephone Company shall:

(a) Provide one (1) Subject Service under this Contract Offer.

(b) Issue a one-time bill credit in an amount up to $147,000 to be applied against any special construction charges that would otherwise be applicable to the Subject Service, to be provided to the Customer within sixty (60) days of the commencement of the billing for the Subject Service.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(10) If the Customer requests additional service features and functions not included in Section 41.129.5, the Customer will pay the tariff rates for the additional services, as contained in the Tariff Section 39, Metropolitan Statistical Area Access Services, except as noted in Section 41.129.5(A).

(11) 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 offerings 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 conditions are met:

(a) The Customer must meet all eligibility requirements outlined in Section 41.129.3, and Terms and Conditions outlined in Section 41.129.4; and

(b) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.5 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The following Monthly Recurring Charges (MRCs) shall apply to the following rate elements for the Subject Services provided under this Contract Offer in Table A, below:

Table A

Rate Elements	USOC	Qty	Unit Rate	MRC
Vol. Opt 3 – Basic Configuration – 60 Mo.	SHKBX	1	$3,900.00	$3,900.00
Add'l DTL Added to Basic Config, per order	SH3BX	1	$1,100.00	$1,100.00
Add'l DTL Added to Basic Config per same order	SH3BA	2	$1,100.00	$2,200.00
Transport Mileage	1T6QS	2	$108.00	$216.00
Multiplexing, per multiplexer	MKQ	2	$500.00	$1,000.00
Total MRC				**$8,416.00**

(B) Non-Recurring Charges (NRCs)

Prevailing tariff NRC waivers for Self-Healing Transport Network (STN) shall apply.

Any rate elements not described herein will be subject to the applicable rates and charges outlined in MSA Section 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 in determining the credit worthiness of the assignee or transferee based on any information available.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.129 Contract Offer No. 129 – Self-Healing Transport Network (STN) Volume Option 3 Service Offer (Cont'd)

41.129.7 Mergers/Acquisitions

All provisions 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.

41.129.8 Termination Liability

During the Term Period of the Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in F.C.C. Tariff No. 73, Section 19.3. Termination charges shall become due as of the effective date of the termination.

(A) If Customer terminates this Contract Offer, in whole or in part, or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge, as applicable, which shall be equal to fifty (50) percent of all recurring charges for the balance of the sixty (60) month Term Period, and will be calculated as follows:

(MRC) multiplied by (Months remaining in Term Period) multiplied by (termination liability percentage of 50%) = termination liability charge

Example: A Customer with a $8,416.00 MRC terminates service after forty-eight (48) months, and has twelve (12) months remaining in the sixty (60) month Term Period. The termination liability would be calculated as:

($8,416.00 X 12) X 50% = $50,496.00 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.130 Contract Offer No. 130 – DS1 Service Offer

41.130.1 General Description

The DS1 Service Offer (Contract Offer No. 130) is an access discount plan available to Customers that have annual recurring Subject Service revenue of no less than $1.5 million but no more than $2.0 million at the beginning of the Term Period, and that achieve and maintain a Minimum Annual Revenue Commitment (MARC) of at least $2.5M, as further described below. The qualified access services eligible under this Contract Offer are listed in Section 41.130.2. This Contract Offer also requires Customers to purchase at least 300 DS1 services. To receive discounts under this Contract Offer, the Customer must meet the Eligibility Criteria described in Section 41.130.3, and must comply with all Terms and Conditions described in Section 41.130.4 of this Contract Offer.

Contract Offer No. 130 requires the Customer to establish and maintain a MARC for each year of the Term Period, as defined in Section 41.130.5 (A). The MARC shall include all Subject Services provided by the Telephone Company purchased in the eligible Metropolitan Statistical Areas (MSAs) listed in Section 41.130.3 (A).

If, upon any MARC achievement review, the Customer's recurring revenue from Subject Services is less than the applicable MARC, the Customer must remit a shortfall payment via the Quarterly True-Up Process set forth in Section 41.130.5 (C). If the Customer does not comply with all Terms and Conditions of this Contract Offer in all material respects, termination liability charges, in accordance with Section 41.130.10, will apply.

Contract Offer No. 130 will be available for subscription from June 2, 2007 through July 2, 2007. This offer is not renewable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.2 Subject Services

Discounts and portability provided under Contract Offer No. 130 apply to pricing-flexibility-qualified access services contained in the following tariff sections (hereafter referred to as Subject Services):

Subject Service	**Description /Rate Regulation**	**Phase I MSA Rates and Charges**	**Phase II MSA Rates and Charges**
High Capacity (DS1) Service	7.3.10	7.3.10(F)	39.5.2.7(N)

Each Subject Service shall be provided according to the rates, terms and conditions of the otherwise applicable tariff, except as expressly provided by this Contract Offer. If any provisions of this Contract Offer conflict with the otherwise applicable tariff, the rates, Terms and Conditions of this Contract Offer shall prevail.

41.130.3 Eligibility Criteria

The following Eligibility Criteria must be met to subscribe to Contract Offer No. 130:

(A) Contract Offer No. 130 is available only for services located in the following MSAs as described herein:

Portability and discounted rates provided in Sections 41.130.6 and 41.130.7 of this Contract Offer shall apply to all Channel Terminations, Interoffice (Channel) Mileage, and Multiplexers associated with Subject Services, including Channel Terminations between the Telephone Company's end office and an end user's premises (End User Channel Terminations), in the following MSAs:

Oklahoma City, Tulsa, OK; Austin-San Marcos, Dallas-Fort Worth, Houston, San Antonio, TX.

(B) At the time of subscription, the Customer must have at least $1.5 million but no greater than $2.0 million in annual revenue from Subject Services, as listed in Section 41.130.2.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.4 Terms and Conditions

(A) Subscription
To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must be submitted during the contract availability period.

The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer. Additional ACNAs may not be included by the Customer after subscription to the Contract Offer.

(B) Term Period
The term of this Contract Offer (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the Letter of Subscription (LOS) from the Customer.

(C) Minimum Purchase Requirement
The Customer must purchase a minimum of 300 DS1 circuits not previously provided by the Telephone Company as Subject Services. The Customer must submit Access Service Orders (ASRs) for the purchase of those Subject Services, and they must be installed within ninety (90) days of subscription to this Contract Offer. This Contract will be considered terminated if the minimum purchase requirement is not met, unless the Customer has acted in good faith to achieve compliance, and the Customer's failure to achieve compliance within ninety (90) days is caused by delay attributable to the Telephone Company.

(D) Rates
Subject services provided under this Contract Offer will be billed at the rates provided in Section 41.130.7 during the Term Period.

Upon the expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing applicable monthly (extension) rates described in Sections 7.3.10 (F) and 39.5.2.7 (N), unless the Customer selects an applicable Term Pricing Plan.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.4 Terms and Conditions (Cont'd)

(E) Rate Stability
Rate stability during the Term Period applies only to the rates specific to Contract Offer No. 130, as listed in Section 41.130.7. Subject Services are also subject to certain rates, charges, and general terms and conditions in other sections of Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, including Sections 2-General Regulations, 5-Ordering for Access Service, 7-Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(F) Contract Termination
If the Customer terminates this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 41.130.10(A).

If the Telephone Company determines that the Customer has failed to comply with any of the Terms and Conditions of this Contract Offer, the Telephone Company will notify the Customer in writing. The Customer will have thirty (30) days to return to compliance. Failure to comply within thirty (30) days will constitute a default by the Customer, and the Telephone Company shall terminate this Contract Offer. In the event of such termination by the Telephone Company, termination liability charges will apply as set forth in Section 41.130.10 (A).

(G) Service Termination
If the Customer disconnects a service provided under this Contract Offer prior to the expiration of the Term Period, and the Terms and Conditions, as provided under Section 41.130.6 for portability, have not been met, or are not applicable, termination liability charges will apply as set forth in Section 41.130.10 (B).

(H) The Customer may not combine this Contract Offer with any other contract, promotional or discount offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 - DS1 Service Offer (Cont'd)

41.130.4 Terms and Conditions (Cont'd)

(I) The Customer must pay billed charges (excluding charges disputed by the Customer) in full during the Term Period. If the Customer fails to remain current on payment of all billed charges (excluding charges disputed by the Customer), the Customer will have thirty (30) business days from receipt of the written notice from the Telephone Company to comply. If the Customer does not comply, the Telephone Company shall terminate the Customer's subscription to this Contract Offer. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.130.10, will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes).

Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described above.

(J) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.7, is not permitted.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment and Calculation of the MARC

(1) Year 1 MARC Calculation

Pursuant to this Contract Offer, the Customer must achieve and maintain a MARC. The Customer's Year 1 MARC shall be $2.5 million in total annual recurring revenue billed for Channel Terminations, Interoffice (Channel) Mileage, and Multiplexers for DS1 Services. The Customer must achieve the MARC through a combination of Subject Services already being purchased at the beginning of the Term Period, and additional Subject Services obtained subject to the Minimum Purchase Requirement in Section 41.130.4(C) of this Contract offer.

(2) Years 2, 3, 4 and 5 MARC Calculations

The MARC for Years 2, 3, 4, and 5 will be the same as the MARC calculated for Year 1.

(B) Calculations to Determine Achievement of the MARC

Achievement of the MARC shall be determined according to the recurring revenue associated with Subject Services for the following rate elements, as billed by the Telephone Company: Channel Terminations, Interoffice (Channel) Mileage fixed and per mile, and Multiplexers. Calculations to determine achievement of the MARC shall be performed in the same manner as the calculations to determine the MARC. Recurring revenue from Subject Services shall include Subject Services to which the Customer subscribes as of the commencement of the Term Period and/or which the Customer purchases during the Term Period. To be included in the Calculations to Determine Achievement of the MARC, all recurring revenue must be billed under the ACNAs provided by the Customer upon subscription to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Quarterly True-up Process
At the close of each quarter, during each year of the Term Period (Contract Year), the Telephone Company will review the recurring revenue from Subject Services to determine achievement of the MARC. Achievement of the prorated year-to-date MARC for each quarter will be calculated using the following percentages applied to the MARC for each Contract Year:

Quarter	% of MARC	Recurring Revenue to be Reviewed
1st Quarter	25%	1st Quarter of the Contract Year
2nd Quarter	50%	1st two Quarters of the Contract Year
3rd Quarter	75%	1st three Quarters of the Contract Year
4th Quarter	100%	All four Quarters of the Contract Year

The 1st Quarter of Year 1 of this Contract Offer will begin on the first day of the month immediately following the Customer's subscription to this Contract Offer. Future quarters will begin every three months thereafter, for the remainder of the Term Period.

If, upon any quarterly calculation, the Customer's recurring revenue from Subject Services is less than the applicable MARC, equally prorated on a quarterly basis to reflect the year-to-date MARC, the Customer must submit a true-up payment equal to the difference between the prorated year-to-date MARC and the recurring revenue from Subject Services for the 1st Quarter of that contract year.

Any true-up payment(s) made by the Customer during a contract year will be included in Calculations to Determine Achievement of the MARC, as described in Section 41.130.5 (B), preceding, and in determining the amount of any applicable true-up payment.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Quarterly True-up Process (Cont'd)

Example of the 1st Quarter True-up:

The MARC for Year 1 is $2,500,000, and the recurring revenue for Subject Services during the 1st Quarter is $500,000. In this example, the Customer must submit a true-up payment of $125,000, as calculated below:

1st Quarter Year-to-Date MARC ($2.5 million x 25%)	$625,000
Recurring Revenue for the 1st Quarter of the Contract Year	($500,000)
True-up Payment Due for the 1st Quarter	$125,000

Example of the 2nd Quarter True-up:

The MARC for Year 1 is $2,500,000, the total recurring revenue for Subject Services during the first two quarters is $875,000, and the Customer submitted a true-up payment of $125,000 for the 1st Quarter. In this example, the Customer must submit a true-up payment of $250,000 for the 2nd Quarter, as calculated below:

2nd Quarter Year-to-Date MARC ($2.5 million x 50%)	$1,250,000
Recurring Revenue for the 1st and 2nd Quarters of the Contract Year	($875,000)
True-up Payments Submitted During the Contract Year	($125,000)
True-up Payment for the 2nd Quarter	$250,000

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Quarterly True-up Process (Cont'd)

Example of the 3rd Quarter True-up:

The MARC for Year 1 is $2,500,000 and total recurring revenue for the first three quarters is $1,500,000 million. The Customer submitted true-up payments during Contract Year of $375,000. In this example, the Customer would have met the prorated year-to-date MARC as calculated below.

3rd Quarter Year-to-Date MARC ($2.5 million x 75%)	$1,875,000
Recurring Revenue for the 1st, 2nd, and 3rd Quarters of the Contract Year	($1,500,000)
True-up Payments Submitted During the Contract Year	($375,000)
True-up Payment for the 3rd Quarter	$0

Example of the 4th Quarter True-up:

The MARC for Year 3 is $2,500,000 and total recurring revenue for the all four quarters is $2,125,000. The Customer submitted true-up payments during Contract Year of $375,000. In this example, the Customer would have met the MARC for that Contract Year as calculated below.

4th Quarter Year-to-Date MARC ($2.5 million x 100%)	$2,500,000
Recurring Revenue for the 1st, 2nd, 3rd, and 4th Quarters of the Contract Year	($2,125,000)
True-up payments Submitted During the Contract Year	($375,000)
True-up Payment for the 4th Quarter	$0

If, upon any contract anniversary date, the Customer has exceeded the MARC (actual revenue + true-up payments), and has made any required true-up payments during the contract year under review, the Telephone Company will provide a credit to the Customer for the amount by which the total of recurring revenue plus true-up payments exceeds the MARC, not to exceed the total of true-up payments submitted by the Customer in that Contract Year.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If, in any quarter, the Customer does not meet the pro-rated year-to-date MARC based on the Calculations to Determine Achievement of the MARC, any discounts or credits due, as described in Sections 41.130.6 or 41.130.7, will be withheld until the Customer submits a true-up payment as required by Section 41.130.5 (C).

41.130.6 Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves and/or disconnects of 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
For any DS1 Subject Service to be eligible for portability, the Subject Service must have been in service for at least one (1) year, including any in-service time prior to the commencement of the Term Period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.7 Rates

Rate Elements	**Zone**	**USOC**	**Rate**
Channel Termination	1	TMECS	$92.00
Channel Termination	2	TMECS	$100.00
Channel Termination	3	TMECS	$110.00
Interoffice Mileage – 1 Channel Mileage Fixed and 1-10 miles	1	1L5XX	$60.00
Interoffice Mileage – 1 Channel Mileage Fixed and 1-10 miles	2	1L5XX	$65.00
Interoffice Mileage - 1 Channel Mileage Fixed and 1-10 miles	3	1L5XX	$70.00
Interoffice Mileage – 1 Channel Mileage Fixed and 11-20 miles	1	1L5XX	$160.00
Interoffice Mileage – 1 Channel Mileage Fixed and 11-20 miles	2	1L5XX	$165.00
Interoffice Mileage - 1 Channel Mileage Fixed and 11-20 miles	3	1L5XX	$170.00
Interoffice Mileage – 1 Channel Mileage Fixed and 21-30 miles	1	1L5XX	$260.00
Interoffice Mileage – 1 Channel Mileage Fixed and 21-30 miles	2	1L5XX	$265.00
Interoffice Mileage - 1 Channel Mileage Fixed and 21-30 miles	3	1L5XX	$270.00
Central Office Multiplexer DS1 to DS0	1	MQ1/QMU	$160.00
Central Office Multiplexer DS1 to DS0	2	MQ1/QMU	$165.00
Central Office Multiplexer DS1 to DS0	3	MQ1/QMU	$170.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.8 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.9 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 130 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be eligible for inclusion in this Contract Offer, nor used in Calculations of the MARC discussed in Section 41.130.5(A), or Calculations to Determine Achievement of the MARC discussed in Section 41.130.5(B).

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.10 Termination Liability

(A) Contract Termination Liability Charge

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, the Customer must pay the Telephone Company termination liability charges as described below. If the Customer elects to terminate this Contract Offer, the Customer must provide written notification to the Telephone Company within ninety (90) days of the planned contract termination date.

Termination liability charges will also apply if the Customer is not in compliance with any of the Terms and Conditions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of this Contract Offer, and are payable according to the following schedule:

100 percent of all discounts and credits under this Contract Offer for the six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 10 percent of the MARC for the remaining portion of Year 1, plus 10 percent of the MARC for the remaining years of the Term Period.

(2) If terminated in Year 2, 12.5 percent of the Year 2 MARC for the remaining portion of Year 2, plus 12.5 percent of the Year 2 MARC for the remaining years of the Term Period.

(3) If terminated in Year 3, 12.5 percent of the Year 3 MARC for the remaining portion of Year 3, plus 12.5 percent of the Year 3 MARC for the remaining years of the Term Period.

(4) If terminated in Year 4, 12.5 percent of the Year 4 MARC for the remaining portion of Year 4, plus 12.5 percent of the Year 4 MARC for the remaining years of the Term Period.

(5) If terminated in Year 5, 12.5 percent of the Year 5 MARC for the remaining portion of Year 5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.130 Contract Offer No. 130 – DS1 Service Offer (Cont'd)

41.130.10 Termination Liability (Cont'd)

(A) Contract Termination Liability Charge (Cont'd)

Example:

The Customer requests termination of the Contract Offer after forty-four (44) months, with sixteen (16) months remaining in the Term Period. The Customer's MARC for the fourth year of the Term Period is $2,500,000. The Customer received $20,000 in discounts and credits in the six (6) months preceding contract termination. The termination liability charge would be $436,667 as calculated below:

(1) $20,000 discounts and credits from preceding six (6) months, plus
(2) $2.5 million Year 4 MARC X 12.5 percent (4/12 – four months remaining in the year) = $104,167; plus
(3) $2.5 million Year 5 MARC X 12.5 percent = $312,500.

(A) Service Termination Liability Charge

If the Customer disconnects a service provided under this Contract Offer prior to the expiration of the Term Period, and the Terms and Conditions, as provided under Section 41.130.6 for portability, have not been met, or are not applicable, termination liability charges will apply in the amount of fifty (50) percent of all recurring charges for the balance of the Term Period. The termination liability charge will be calculated as follows:

Monthly Recurring Charge (MRC) X Months remaining in the Term Period X Termination Liability Percentage of 50%

Example: Customer with a $1,000 MRC terminates service after forty-eight (48) months, and has twelve (12) months remaining in the sixty (60) month Term Period of this Contract Offer. The termination liability would be calculated as: $1,000 X 12 X 50% = $6,000 service termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.131 Contract Offer No. 131 – [1] Service Offer

41.131.1 General Description

[1] Service Offer (Contract Offer No. 131) is an access services discount pricing plan which permits Customers that meet the Eligibility Criteria in Section 41.131.3, and the Terms and Conditions in Section 41.131.4, to purchase Subject Services in Section 41.131.2 at the discounted rates listed in Section 41.131.5. Subject Services provided under Contract Offer No. 131 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.131.3(B). Contract Offer No. 131 is available for subscription from July 18, 2007 through August 18, 2007. This Contract Offer is not renewable.

41.131.2 Subject Services

(A) Contract Offer No. 131 applies to the pricing flexibility qualified access services (Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No 73, Section [1] – [1]; and

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.12 – MegaLink Custom Service.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.131.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 131 discounted rates:

(A) Services must be pricing flexibility qualified access services listed in Section 41.131.2(A);

(B) Services must be located in the Houston, TX MSA;

(C) Subject Services ordered pursuant to this Contract Offer must be new; and

(D) All traffic must originate or terminate at a Mobile Switching Center (MSC).

[1] Material previously contained in this section has been deleted. DSRS 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. 131 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be three (3) years, commencing on the date billing begins. This offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment options described in SWBT Tariff F.C.C. No. 73 for [1], DS3 and DS1 Service. 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 39.

(B) Rate stability under Contract Offer No. 131 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 41.131.5 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. Subject Services are also subject to general terms and conditions of SWBT Tariff F.C.C. No. 73, and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(C) The Customer must submit a 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.

[1] See footnote (1) on page 41-1185.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.4 Terms and Conditions (Cont'd)

(E) If the Customer discontinues service under Contract Offer No. 131 and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.131.9.

(F) Any additional service features or functions not included in Section 41.131.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to Section 39 - Metropolitan Statistical Area Access Services.

(G) The Customer must purchase, at minimum, one (1) new [1] in the Houston, TX MSA pursuant to this Contract Offer. The Customer must submit its access service order for the new [1] within thirty (30) days of contract subscription.

(H) The Customer may, at its option, add existing MegaLink Custom Service DS3 circuits to the new [1] provided under this Contract Offer. The Telephone Company shall waive any termination liability charges associated with the move and/or disconnection of these existing circuits to the new [1]. The Customer must submit its order to move and/or disconnect any existing MegaLink Custom Service DS3 circuits to be added to the new [1] within thirty (30) days of contract subscription.

(I) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount plan, provided, however, that the revenue associated with Subject Services provided pursuant to this Contract Offer No. 131 shall be counted toward fulfillment of the revenue requirements of Contract Offer No. 94 – Wireless Advantage Incentive Plan (WAMS-VIP) Offer, if the Customer also subscribes to that Contract Offer.

[1] See footnote (1) on page 41-1185.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.5 Rates and Charges

(A) [1] Service Rates and Charges:

The discounted rates applicable to Subject Services under this Contract Offer shall be as provided in Table A.

Table A

[1] **Rate Elements**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-1185.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, 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 in determining the credit worthiness of the assignee or transferee based on any information available.

[1] See footnote (1) on page 41-1185.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

41.131.8 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 offerings 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 conditions are met:

(1) The Customer must meet all eligibility requirements outlined in Section 41.131.3, and Terms and Conditions outlined in Section 41.131.4; and

(2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

(B) 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.

(C) Revenues attributable to services provided as a result of a technology upgrade subject to this provision will not be counted toward fulfillment of the revenue requirements of Contract Offer No. 94 – Wireless Advantage Incentive Plan (WAMS-VIP) Offer.

[1] See footnote (1) on page 41-1185.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.131 Contract Offer No. 131 – [1] Service Offer (Cont'd)

41.131.9 Termination Liability

Termination liability language shall apply as described below in lieu of the termination liability provisions of Tariff F.C.C. No. 73, Sections 7, 20, [1] and [1]. If the Customer discontinues services and/or terminates this Contract Offer before the completion of the Term Period for any reason, except as provided in Section 41.131.8, 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 the Eligibility Criteria in Section 41.131.3 or the Terms and Conditions in Section 41.131.4.

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:

Fifty (50) percent of all Monthly Recurring Charges (MRCs) for the balance of the Customer's five (5) year Term Period for all services under contract.

Upon termination, all Subject Services then remaining in service will be converted to the prevailing month to month extension tariff rates applicable to the Subject Service. Prevailing tariff rates are highlighted in Section 7 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRCs) multiplied by (Months remaining in billing) multiplied by (Termination percentage of fifty (50) Percent)

Example: A Customer with a $75,000 MRC terminates service after one (1) year, and has twenty-four (24) months remaining on the three (3) year Term Period. The termination liability would be calculated as:

($75,000 X 24 months) X 50% = $900,000 termination liability charge

[1] See footnote (1) on page 41-1185.

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41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 132 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.

41. [1]

[1] See footnote (1) on page 41-1192.

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41. [1]

[1] See footnote (1) on page 41-1192.

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41. [1]

[1] See footnote (1) on page 41-1192.

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41. [1]

[1] See footnote (1) on page 41-1192.

41. [1]

[1] See footnote (1) on page 41-1192.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.133 Contract Offer No. 133 – [1] Service Offer

41.133.1 General Description

[1] Service Offer (Contract Offer No. 133). Contract Offer No. 133 is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.133.3, and the Terms and Conditions in Section 41.133.4, to purchase Subject Services defined in Section 41.133.2 at discounted rates listed in Section 41.133.5. Subject Services provided under Contract Offer No. 133 are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) described in Section 41.133.3(C). Contract Offer No. 133 is available for subscription from July 20, 2007 through August 19, 2007. This Contract Offer is not renewable.

41.133.2 Subject Services

(A) Contract Offer No. 133 applies to the following pricing flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section [1] – [1] Services;

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.12 – MegaLink Custom Service; and

(3) SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 – High Capacity Services.

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

41.133.3 Eligibility Criteria

The following Eligibility Criteria must be met to receive the Contract Offer No. 133 discounted rates:

(A) Services must be Subject Services as described in Section 41.133.2(A).
(B) Customer must have an existing [1] Service.
(C) Services must be located in the Brownsville-Harlingen, McAllen-Edinburg-Mission, and San Antonio, TX MSAs.

[1] Material previously contained in this section has been deleted. OCN PTP 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. 133 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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41. Pricing Flexibility Contract Offerings

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) is sixty (60) months, subject to up to two (2) 1-year extensions, commencing on the date the Letter of Subscription (LOS) is signed by the Customer. Each twelve (12) month period, beginning with the Effective Date, shall be a Term Year.

The Customer may, at its discretion, request up to two (2) 1-year extensions to this Contract Offer upon expiration of the Term Period. To extend this Contract Offer, the Customer must notify the Telephone Company at least sixty (60) days prior to the expiration of the Term Period or, with respect to the second extension, at least sixty (60) days prior to the expiration of the first extension period.

At the expiration of the Term Period, the Customer may choose from the payment options described in SWBT Tariff F.C.C. No. 73 for [1] Service, [1] Service, DS3 and DS1 Service. If, at the expiration of the Customer's 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 39.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.4 Terms and Conditions (Cont'd)

(B) General

(1) Rate stability under Contract Offer No. 133 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Tables in Section 41.133.5 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. Subject Services are also subject to general terms and conditions of SWBT Tariff F.C.C. No. 73 and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period.

(2) In order to subscribe to Contract Offer No. 133, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

(3) If the Customer discontinues service under Contract Offer No. 133 during the Term Period, Termination Liability charges will apply in accordance with Section 41.133.8.

(4) Any additional service, features or functions not included in Section 41.133.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company, according to Section 39 - Metropolitan Statistical Area Access Services.

(5) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.6, of Subject Services under this Contract Offer, is prohibited.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(6) The Customer must purchase the following services, all of which must be located in the Brownsville-Harlingen, and/or the McAllen-Edinburg-Mission, and San Antonio TX MSA:

(a) A minimum of one (1) new [1], which shall be upgraded from an existing [1] Subject Service, to be ordered within thirty (30) days of contract subscription;

(b) A minimum one (1) new [1] Service to be ordered within twelve (12) months of contract subscription. The Customer has the option to order a higher bandwidth [1] during the Term Period;

(c) A minimum of one hundred twenty(120) new DS1 services that must subtend the new [1] or [1] to be ordered within twenty-four (24) months of contract subscription; and

(d) A minimum of ten (10) new subtending DS3 services that must subtend the new [1] or [1] to be ordered within twenty-four (24) months of contract subscription.

(7) The Telephone Company shall waive any Non-Recurring Charges (NRCs) incurred by the Customer to migrate existing subtending services from the existing [1] to the new upgraded [1].

(8) The Telephone Company shall waive any termination liability charges that would otherwise apply pursuant to SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 110, for existing Subject Services to be provided pursuant to this Contract Offer, to the extent such termination liability charges would result from the migration of Subject Services to this Contract Offer. Termination liability charges shall otherwise apply according to the terms of the applicable tariff.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(9) The Customer may not combine this Contract Offer with any other promotion, contract offering, or discount plan.

(10) Upgrade Option

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 offerings 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 Customer's contract offer or other contract or tariff governing the new service offerings must include a term period and billing equal to, or greater than, those of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:

(a) The Customer must meet all Eligibility Requirements outlined in Section 41.133.3 and Terms and Conditions outlined in Section 41.133.4;

(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 (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(11) Portability

The Telephone Company shall waive otherwise applicable termination liability charges for moves of Subject Services purchased under this Contract Offer No. 133, 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;

(d) [1] Subject Services must have been in service for a minimum of two (2) years to be eligible for portability; and

(e) [1] Subject Services must have been in service for a minimum of two (2) years to be eligible for portability.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.5 Rates and Charges

(A) [1] Rates and Charges

The Customer shall pay the Monthly Recurring Charges (MRCs) for [1] provided in Table A, below. NRCs for the purchase of these services shall be waived.

Table A

[1] **Rate Element**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

The Customer shall pay the Monthly Recurring Charges (MRCs) for [1] provided in Table B, below. NRCs for the purchase of these services shall be waived.

Table B

[1] **Rate Element**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.5 Rates and Charges (Cont'd)

(A) Subtending DS3 Service Rates and Charges

Rate elements for DS3 service not set forth in Table C, below, shall be billed at prevailing tariff rates. NRCs for DS3 service shall be waived.

Table C

DS3 Rate Element	USOC	MRC
DS3 Channel Termination - Per Point of Termination	TUZPX	$780.00
Transport Mileage - Fixed	1OXHX	$360.00
Transport Mileage - Variable	1J5HS	$36.00
Central Office Multiplexing - DS3 to DS1	MKM	$380.00

(B) Subtending DS1 Service Rates and Charges

The Customer will pay the rates for High Capacity DS1 Service provided in Table D, below. Rate elements for DS1 service not set forth in the table below shall be billed at prevailing tariff rates. NRCs for DS1 service shall be waived.

Table D

DS1 RATE ELEMENT	USOC	MRC
DS1 Channel Termination - Per Point of Termination	TMECS	$78.20
Interoffice Channel Mileage Fixed per Termination	1L5XX	$28.90
Mileage, per mile	1L5XX	$8.50
Central Office Multiplexing - DS1 to Voice	MQ1	$136.00

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

[1] See footnote (1) on page 41-1198.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.133 Contract Offer No. 133 – [1] Service Offer (Cont'd)

41.133.8 Termination Liability

Termination liability shall apply as described below, in lieu of the termination liability provisions of F.C.C. No. 73, Section 39. If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, 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 the Eligibility Criteria in Section 41.133.3 or the Terms and Conditions in Section 41.133.4 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:

Fifty (50) percent of all MRCs for the balance of the Customer's five (5) year Term Period for all Subject Services under contract (OC-48, OC-12, DS3 and DS1 services). Upon termination, all Subject Services then remaining in service will be converted to the prevailing month-to-month extension tariff rates applicable to the Subject Services. Prevailing tariff rates are described in Sections 7 and 40 for Phase 1 MSAs, and Section 39 for Phase 2 MSAs.

The termination liability charge shall be calculated as follows:

(MRC) multiplied by (Months remaining in billing) multiplied by (Termination percentage of fifty (50) percent)

Example A: Customer with a $25,000 MRC terminates service after three (3) years, and has twenty-four (24) months remaining on the five (5) year Term Period. The termination liability would be calculated as:

($25,000 X 24 months) X 50% = $300,000 termination liability charge

Example B: termination liability in the Extension Term Period.

A Customer with a $5,000 MRC terminates service after three (3) months, and has eight (8) months remaining on the five (1) year Extension Term Period. The Termination Liability would be calculated as:

($5,000 X 8 months) X 50% = $20,000 termination liability charge

[1] See footnote (1) on page 41-1198.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.134 Contract Offer No. 134 – [1] Offer

41.134.1 General Description

Contract Offer No. 134 – [1] Offer is an access discount pricing plan that provides the Customer located in Dallas/Fort Worth, TX Metropolitan Statistical Area (MSA) with one (1) new [1] and one (1) new High Capacity DS-3 for thirty-six (36) months that meets the Eligibility Criteria listed in Section 41.134.3, below.

This Contract Offer is available for subscription from July 28, 2007 to August 28, 2007.

41.134.2 Service Qualifications

(A) This Contract Offer applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section [1] – [1] Service and Section 7 – Special Access Service:

(1) [1] Service; and

(2) High Capacity DS-3 Service.

(B) Subject Services provided under this Contract Offer shall be:

(1) Located in the following Pricing Flexibility MSA: Dallas/Fort Worth, TX MSA; and

(2) Subject Service must be configured as described in Section 41.134.5.

41.134.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) Service must be a Subject Service listed in Section 41.134.2; and

(B) Service must be for a new installation.

[1] Material previously contained in this section has been deleted. DSRS 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. 134 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – [1] Service Offer (Cont'd)

41.134.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be thirty-six (36) months, commencing on the date billing begins.

Upon expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing applicable monthly (extension) rates described in Section 39.5, unless the Customer:

(1) Selects an applicable Term Pricing Plan/Optional Payment Plan described in Section [1] – [1] or Section 7.2.20 – High Capacity Services; or

(2) Disconnects the Subject Services.

(B) General

(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 of the SWBT Tariff F.C.C. No. 73, as applicable.

(2) All Terms and Conditions for the Subject Services provided under this Contract Offer 134 shall continue to be governed by the otherwise applicable tariff sections, except as noted herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer 134 with any other contract offer, promotional offering, or other discount plan (e.g. MVP).

(4) Customer must purchase one (1) new [1] and one (1) new DS-3 Service pursuant to this Contract Offer, as configured and described in Section 41.134.5 at the discounted rates found in Section 41.134.5.

[1] See footnote (1) on page 41-1209.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – [1] Service Offer (Cont'd)

41.134.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(5) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a signed Letter of Subscription (LOS) for Contract Offer 134. Within thirty (30) days of submitting a signed LOS, the Customer must submit its access order for the new Subject Service pursuant to this Contract Offer.

(6) Commingling shall be defined as provided in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

(7) If the Customer discontinues service under this Contract Offer during the Term Period, termination liability shall apply in accordance with Section 41.134.8.

(8) 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. Cancellation requests must be in writing.

(9) If the Customer requests additional service features and functions not included in Section 41.134.5, the Customer will pay the tariff rates for the additional services, as contained in the SWBT Tariff F.C.C. No. 73, Section 39, Metropolitan Statistical Area Access Services, except as noted herein Section 41.134.5(A).

[1] See footnote (1) on page 41-1209.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – [1] Service Offer (Cont'd)

41.134.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(10) 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 offerings 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 conditions are met:

(i) The Customer must meet all eligibility requirements outlined in Section 41.134.3, and Terms and Conditions outlined in Section 41.134.4; and

(ii) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

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.

[1] See footnote (1) on page 41-1209.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – (1) Service Offer (Cont'd)

41.134.5 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The Customer must pay the following MRC in Table A, below, for the rate elements that comprise the Subject Services provided under this Contract Offer.

Table A

Rate Elements	USOC	Qty	Unit Rate	MRC
(1) **DSRS**				
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)
Total (1) DSRS MRC				(1)
DS-3 Service	**USOC**	**Qty**	**Unit Rate**	**MRC**
Central Office Multiplexing – Zone 3	MKM	2	$442.75	$885.50
Total DS-3 Service MRC				**$885.50**
Total MRC				**13,875.13**

(B) Non Recurring Charges (NRCs)

The Telephone Company shall apply the following installation charges associated with the purchase of the Subject Service provided under this Contract Offer No. 134.

Rate Elements	USOC	Qty	NRC
NRC Admin Charge Per Order	ORCMX	1	$60.00
(1)	(1)	(1)	(1)
Special Construction		1	$720.00
Total NRC			**$1,380.00**

Any rate elements not described herein will be subject to the applicable rates and charges outlined in Sections 39.

(1) See footnote (1) on page 41-1209.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – [1] Service Offer (Cont'd)

41.134.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 in determining the credit worthiness of the assignee or transferee based on any information available.

[1] See footnote (1) on page 41-1209.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.134 Contract Offer No. 134 – [1] Service Offer (Cont'd)

41.134.7 Mergers/Acquisitions

All provisions 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.

41.134.8 Termination Liability

During the Term Period of the Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section [1]. Termination charges shall become due as of the effective date of the termination.

(A) If Customer terminates this Contract Offer, in whole or in part, or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of all recurring charges for the balance of the thirty-six (36) month Term Period, and will be calculated as follows:

(MRC) multiplied by (Months remaining in Term Period) multiplied by (termination liability percentage of 50%) = termination liability charge

Example: A Customer with a $13,875.13 MRC terminates service after twenty-four (24) months, and has twelve (12) months remaining in the thirty-six (36) month Term Period. The termination liability would be calculated as:

($13,875.13 X 12) X 50% = $83,250.78 termination liability charge.

[1] See footnote (1) on page 41-1209.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 135 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.

41. [1]

[1] See footnote (1) on page 41-1216.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1216.

41. [1]

[1] See footnote (1) on page 41-1216.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1216.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS and OCN PTP 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. 136 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.

41. [1]

[1] See footnote (1) on page 41-1221.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1221.

41. [1]

[1] See footnote (1) on page 41-1221.

41. [1]

[1] See footnote (1) on page 41-1221.

41. [1]

[1] See footnote (1) on page 41-1221.

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41. [1]

[1] See footnote (1) on page 41-1221.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.137 Contract Offer No. 137 – Special Access Bundle Service Offer

41.137.1 General Description

Contract Offer No. 137 – Special Access Bundle Service Offer (Contract Offer No. 137) 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), Tariff F.C.C. No. 1; Southwestern Bell Telephone Company (SWBT), Tariff F.C.C. No. 73; and BellSouth Telecommunications, Inc. (BellSouth), Tariff F.C.C. No. 1. This Contract Offer No. 137 permits Customers who meet the Eligibility Criteria in Section 41.137.3, and the Terms and Conditions in Section 41.137.4, to purchase Subject Services in Section 41.137.2 at the discounted rates listed in Section 41.137.5. Subject Services under Contract Offer No. 137 are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 41.137.3 (B).

Contract Offer No. 137 is available for subscription from August 21, 2007 through September 21, 2007. This Contract Offer is not renewable.

41.137.2 Subject Services

(A) This Contract Offer applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff section(s):

(1) SWBT Tariff F.C.C. No. 73, Section [1] – [1];

(2) SWBT Tariff F.C.C. No. 73, Section [1] – [1];

(3) SWBT Tariff F.C.C. No. 73, Sections 7 and 20 – DS3 Special Access Service;

(4) SWBT Tariff F.C.C. No 73, Section [1] – [1]; and

(5) SWBT Tariff F.C.C. No. 73, Section 39 – DS1 High Capacity Service

(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. DSRS and OCN PTP 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. 137 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 – Special Access Bundle Service Offer (Cont'd)

41.137.3 Eligibility Criteria

The following Eligibility Criteria must be met to receive Contract Offer No. 137 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.137.2(A);

(B) Subject Services must be located in the following MSAs:

(1) Full Service Relief MSAs are listed below:

Fayetteville/Springdale, AR; Little Rock, AR; Topeka, KS; St. Joseph, MO; Springfield, MO; Lawton, OK; Abilene, TX; Amarillo, TX; Corpus Christi, TX; Longview-Marshall, TX; Lubbock, TX; Midland, TX.

(2) Limited Service Relief MSAs are listed below:

Fort Smith, AR; Memphis, AR; Kansas City, KS; Wichita, KS; Joplin, MO; Kansas City, MO; St. Louis, MO; Fort Smith, OK; Oklahoma City, OK; Tulsa, OK; Austin-San Marcos, TX; Brownsville-Harlingen, TX; Dallas/Ft. Worth, TX; Houston, TX; McAllen/Edinburg, TX; San Antonio, TX; Tyler, TX; Waco, TX Wichita Falls, TX.

(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); and

(E) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 137, pursuant to the following tariffs:

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 164; (Nx)

(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 133; and

(3) BellSouth Tariff F.C.C. No. 1, Section 25, Contract Offer No. 51. (Nx)

(x) Issued under Authority of Special Permission No. 07-020 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 – Special Access Bundle Service Offer (Cont'd)

41.137.4 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, 20, [1] or [1], as applicable.

(B) General

(1) Subject Services, as described in Section 41.137.2, are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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. 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. 137 during the Term Period, termination liability charges shall apply in accordance with Section 41.137.8.

[1] See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 – Special Access Bundle Service Offer (Cont'd)

41.137.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

(7) The Customer must Purchase the following number of new DS1 Subject Services in the time frame allotted:

In Year One – four hundred fifty (450) new DS1 Subject Services.

In Year Two – fifty (50) new DS1 Subject Services for a cumulative of five hundred (500) DS1s through Year Two of Contract Offer No. 137; and

In Year Three – two hundred (200) new DS1 Subject Services for a cumulative of seven hundred (700) DS1s through Year Three of Contract Offer No. 137.

Customer must maintain seven hundred (700) 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 – five (5) new DS3 Subject Services for a cumulative of twenty-five (25) DS3s through Year Two of Contract Offer No. 137; and

In Year Three – one (1) new DS3 Subject Services for a cumulative of twenty-six (26) DS3s through Year Three of Contract Offer No. 137.

Customer must maintain twenty-six (26) or greater DS3 Subject Services for the remainder of the Term Period.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 – Special Access Bundle Service Offer (Cont'd)

41.137.4 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 – zero (0) new [1] or [1] Subject Services for a cumulative of two (2) [1] or [1] through year two of Contract Offer No. 137; and

In year Three – one (1) new [1] or [1] Subject Services for a cumulative of three (3) [1] or [1] through year three of Contract Offer No. 137.

Customer must maintain three (3) 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. 137 must subtend new or existing SWBT SONET services where such services are deployed.

(11) Subject Services must originate or terminate on a wireless carrier's network.

(A) 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 41.137.10.

[1] See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges

(A) (1) Rates and Charges

The Customer must pay the Monthly Recurring Charges (MRCs) listed in Table A, below, for new OC-48 DSRS Subject Services ordered under this Contract Offer.

Table A

(1) Rate Elements	USOC	MRC
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)		
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

(1) See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges (Cont'd)

(A) [1] Rates and Charges (Cont'd)

Table A (Cont'd)

[1] **Rate Elements**	**USOC**	**MRC**
[1]		
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

The Customer must pay the MRCs listed in Table B, below, for new [1] and [1] Subject Services ordered under this Contract Offer:

Table B

[1] **and** [1] **Rate Elements**	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

[1] See footnote (1) on page 41-1228.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges (Cont'd)

(A) (1) Rates and Charges (Cont'd)

Table B (Cont'd)

(1) and (1) Rate Elements	USOC	MRC
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

Any rate elements not described herein will be subject to the applicable tariff rates provided in Section 39.

(B) (1) Rates and Charges

The Customer must pay the MRCs listed in Table C, below, for the new (1) Subject Service ordered under this Contract Offer:

Table C:

(1) Rate Element	USOC	MRC
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

(1) See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges (Cont'd)

(B) (1) Rates and Charges (Cont'd)

Table C (Cont'd)

(1) **Rate Element**	**USOC**	**MRC**
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1) **Rate Element**	**USOC**	**MRC**
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)
(1)	(1)	(1)

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

(1) See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges (Cont'd)

(C) DS3 Rates and Charges:

The Customer must pay the MRCs listed in Table D, below, for the new DS3 Subject Services ordered under this Contract Offer:

Table D

DS3 Rate Element	USOC	MRC
DS3 CHANNEL TERMINATION - Per Point of Termination	TUZPX	$731.25
INTEROFFICE CHANNEL MILEAGE Fixed	1OXHX	$337.50
INTEROFFICE CHANNEL MILEAGE Per mile	1J5HS	$33.75
CENTRAL OFFICE MULTIPLEXING - DS3 TO DS1 - Per Arrangement	MKM	$356.25

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

(D) DS1 Rates and Charges:

The Customer must pay the MRCs listed in Table E, below, for the new DS1 Subject Services ordered under this Contract Offer:

Table E

DS1 RATE ELEMENT	USOC	MRC
DS1 CHANNEL TERMINATION - Per Point of Termination	TMECS	$73.00
INTEROFFICE CHANNEL MILEAGE Fixed	1L5XX	$24.82
INTEROFFICE CHANNEL MILEAGE Per mile	1L5XX	$9.49
CENTRAL OFFICE MULTIPLEXING - DS1 TO DS0 - Per Arrangement	MQ1	$116.80

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.5 Rates and Charges (Cont'd)

(E) [1] DSRS Rates and Charges

The Customer shall have, at their option, the ability to purchase [1] Subject Services and be billed at the [1] Quad rate as outlined in Table F, below.

Table F

[1] **Element**	**USOC**	**1st [1] Quad Discount Rate**	**2nd [1] Quad Discount Rate**	**3rd and 4th [1] Quad Discount Rate**
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]
[1]	[1]	[1]	[1]	[1]

Any rate elements not described herein will be subject to the applicable tariff rates provided in Section 39.

[1] See footnote (1) on page 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Tariff F.C.C. No. 73 Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Tariff F.C.C. No.73, Section 2.2.1, 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 41.137.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.7 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.

41.137.8 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 41.137.3, and Terms and Conditions outlined in Section 41.137.4;

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.9 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 41-1228.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.137 Contract Offer No. 137 - Special Access Bundle Service Offer (Cont'd)

41.137.10 Termination Liability

Termination liability language, described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 7, 20, [1], and [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 Term Year	Termination 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 X 48 months) X 50% = $2,400,000 termination liability charge

[1] See footnote (1) on page 41-1228.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 138 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.

41. [1]

[1] See footnote (1) on page 41-1243.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1243.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1243.

41. [1]

[1] See footnote (1) on page 41-1243.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1243.

41. [1]

[1] See footnote (1) on page 41-1243.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 139 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1250.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1250.

41. [1]

[1] See footnote (1) on page 41-1250.

41. [1]

[1] See footnote (1) on page 41-1250.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1250.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1250.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 140 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.

41. [1]

[1] See footnote (1) on page 41-1257.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1257.

41. [1]

[1] See footnote (1) on page 41-1257.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1257.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1257.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1257.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 141 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.

41. [1]

[1] See footnote (1) on page 41-1264.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1264.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1264.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1264.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1264.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 142 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1270.

41. [1]

[1] See footnote (1) on page 41-1270.

41. [1]

[1] See footnote (1) on page 41-1270.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1270.

41. [1]

[1] See footnote (1) on page 41-1270.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 143 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1276.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 144 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1283.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 145 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1290.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1290.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1290.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1290.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1290.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.146 Contract Offer No. 146 – ReliaNet Service Offer

41.146.1 General Description

ReliaNet Service Offer (Contract Offer No. 146) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.146.3, and the Terms and Conditions in Section 41.146.4, to purchase one (1) new Subject Service listed in Section 41.146.2 at the discounted rates provided in Section 41.146.5. Subject Services provided under Contract Offer No. 146 are available only in the Pricing Flexibility Metropolitan Statistical Area (MSA) listed in Section 41.146.3(B).

Contract Offer No. 146 is available for subscription from September 15, 2007 through October 15, 2007. This Contract Offer is not renewable.

41.146.2 Subject Services

(A) Contract Offer No. 146 applies to the following pricing flexibility qualified access services (Subject Services) contained in the following tariff section:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 31 – ReliaNet MAC-Option B – SONET Volume Option 12 [SV0 (12)].

(B) All Terms and Conditions for the Subject Service listed above are governed by their respective tariff sections, except as noted herein.

41.146.3 Eligibility Criteria

The following eligibility criteria must be met to receive this Contract Offer No. 146 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.146.2(A);

(B) Subject Services must be located in the following Pricing Flexibility MSA: Wichita, KS; and

(C) The Subject Service must not have been previously provided to the Customer by the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont'd)

41.146.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the 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 SWBT Tariff F.C.C. No. 73, Section 31, for ReliaNet Service. 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 plan options, the Telephone Company shall convert the Subject Services to the prevailing monthly extension rates in SWBT Tariff F.C.C. No. 73, Section 39.

(B) Rate Stability

Rate stability under Contract Offer No. 146 shall apply only to the rates specific to this Contract Offer, as provided in the rate tables in Section 41.146.5. Subject Services are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Option, 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) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont'd)

41.146.4 Terms and Conditions (Cont'd)

(D) If the Customer terminates the Subject Service provided under this Contract Offer and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.146.8.

(E) Any additional service, features or functions not listed in Section 41.146.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to SWBT Tariff F.C.C. No. 73, Section 39.

(F) Within sixty (60) days after contract subscription, the Customer must submit an Access Service Request (ASR) to purchase one (1) new ReliaNet MAC-Opt. B – SONET Volume Option 12 [SV0 (12)] Service located in the Wichita, KS. MSA, with the rate element provided in Section 41.146.5(A), herein, pursuant to this Contract Offer.

(G) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in SWBT Tariff F.C.C. No. 73, Section 22. This Contract Offer cannot be combined with any other promotion, contract, or discount offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont’d)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont’d)

41.146.5 Rates and Charges

(A) New OC-12 Dedicated Ring Service Rates and Charges

The Customer shall pay the Monthly Recurring Charge (MRC) set forth in Table A, below, for one (1) new ReliaNet MAC-Option B – SONET Volume Option 12 [SV0 (12)] Subject Service purchased under this Contract Offer.

Table A

ReliaNet Rate Element	USOC	Rate
MAC Opt. B [SVO (12)]	N8PBX	$5813.00

Prevailing tariff Non-Recurring Charges (NRCs), as described in SWBT Tariff F.C.C. No. 73, Section 39, for ReliaNet Service, shall apply.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont'd)

41.146.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 in determining the credit worthiness of the assignee or transferee based on any information available.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont'd)

41.146.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.146 Contract Offer No. 146 – ReliaNet Service Offer (Cont'd)

41.146.8 Termination Liability

Termination liability shall apply as provided herein, in lieu of termination liability as provided in SWBT Tariff F.C.C. No. 73, Section 31. Termination charges shall become due as of the effective date of the termination, and are payable within thirty (30) days after the billing invoice date.

(A) The Customer's subscription to a Subject Service pursuant to this Contract Offer No. 146 shall terminate if the Customer elects to terminate the Subject Service, or if the Customer materially breaches the Terms and Conditions governing the Subject Service. The Telephone Company shall notify the Customer of its non-compliance, and the Customer shall have thirty (30) calendar days to cure its non-compliance. If it does not, the Telephone Company shall deem this Contract Offer terminated, and the Customer shall be liable for termination liability charges set forth in this Section, except as expressly provided to the contrary herein. If any Subject Service is so terminated, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the MRC for the terminated Subject Services for the balance of the Term Period.

The termination charge shall be calculated as (MRC) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of fifty (50) percent).

Example: The MRC of the terminated Subject Service equals $5,000 and the Subject Service is terminated after thirty-six (36) months, with twenty-four (24) months remaining in the Term Period. The termination charge would be:

($5,000 X 24) X 50% = $60,000 Termination Charge

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. MON 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. 147 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1303.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1303.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1303.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1303.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.148 Contract Offer No. 148 - Special Access Bundle Service Offer

41.148.1 General Description

Contract Offer No. 148 - Special Access Bundle Service Offer (Contract Offer No. 148) 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, Contract Offer No. 173; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 17; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 148. This Contract Offer No. 148 permits Customers who meet the Eligibility Criteria in Section 41.148.3, and the Terms and Conditions in Section 41.148.4, to purchase Subject Services in Section 41.148.2 at the discounted rates listed in Section 41.148.5. Subject Services under Contract Offer No. 148 are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 41.148.3 (B).

Contract Offer No. 148 is available for subscription from October 20, 2007 through November 20, 2007. This Contract Offer is not renewable.

41.148.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (hereafter referred to as Subject Services) contained in the following tariff section(s):

(1) SWBT Tariff F.C.C. No. 73, Section [1] - [1];

(2) SWBT Tariff F.C.C. No. 73, Section 20 - Megalink Custom Service; and

(3) SWBT Tariff F.C.C. No. 73, Section [1] - [1].

(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. DSRS 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. 148 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to receive Contract Offer No. 148 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.148.2(A).

(B) Subject Services must be located in the following MSAs:

El Paso, TX; Brownsville-Harlingen, TX; Midland, TX; Waco, TX; Little Rock-North Little Rock, AR; and Oklahoma City, OK.

(C) Subject Services must originate or terminate on a wireless carrier's network.

(D) Concurrent Subscription

The Customer must concurrently subscribe to the following Contract Offers:

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 173; and

(2) NBTC Tariff F.C.C. No. 1, Section 23, Contract Offer No. 17.

41.148.4 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 Contract Offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment plan options described in SWBT Tariff F.C.C. No. 73, Sections 20, [(1)], and [(1)]. 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 plan options, the Telephone Company shall convert the Subject Services to the prevailing monthly extension rates in SWBT Tariff F.C.C. No. 73, Section 39.

[(1)] See footnote (1) on page 41-1308.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.4 Terms and Conditions (Cont'd)

(B) General

(1) Subject Services, as described in Section 41.148.2, are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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) Any Subject Service ordered pursuant to this Contract Offer must be new and/or upgraded from a currently subscribed service provided by the Telephone Company. For purposes of this Contract Offer: (i) "new" shall mean that the Telephone Company was not providing a similar service to the Customer prior to the commencement of the Term Period; and (ii) "upgraded" shall mean that the Telephone Company was previously providing the Customer with DRS at a bandwidth less than that of the relevant Subject Service.

(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) 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., MVP).

(5) Commingling shall be defined as provided in Section 2.7. Commingling of Subject Services under this Contract Offer is prohibited.

(6) If the Customer discontinues service under Contract Offer No. 148 during the Term Period, or if the Customer fails to comply with any of the Terms or Conditions of this Contract Offer or any other applicable tariff provision, termination liability charges shall apply in accordance with Section 41.148.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(7) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

(8) The Customer must purchase the following Subject Services within thirty (30) days after subscribing to this Contract Offer (unless otherwise modified below).

(a) The Customer shall purchase a new [1] Subject Service in the El Paso, TX MSA.

(b) The Customer shall purchase a new [1] Subject Service in the Brownsville-Harlingen, TX MSA.

(c) The Customer shall purchase a new [1] service in the Little Rock, AR MSA.

(d) The Customer shall upgrade an existing [1] Subject Service to [1] Subject Service in the Midland, TX MSA.

(e) The Customer shall purchase a new [1] Subject Service in the Oklahoma City, OK MSA.

(f) The Customer shall purchase a new [1] Subject Service in the Waco, TX MSA.

(9) DS3 Central Office Multiplexing Subject Services ordered under Contract Offer No. 148 must subtend SONET Subject Services provided by the Telephone Company, and must be ordered in locations where such services are deployed as of the time of the Customer's order.

[1] See footnote (1) on page 41-1308.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(10) The Customer shall pay any applicable Special Construction charges necessary to complete installation of Subject Services ordered under this Contract Offer No. 148. The Customer shall pay such Special Construction charges to the Telephone Company at any time after subscription to this Contract Offer and before completion of the Subject Service requiring Special Construction. Should the Customer cancel, terminate or fail to order any Subject Service for which Special Construction charges are applicable, the Customer must pay the entire amount of such Special Construction charges within thirty (30) calendar days of cancellation or termination of the Subject Service, or, if the Customer fails to order the Subject Service as required by this Contract Offer, within sixty (60) calendar days of subscription. The above shall serve in lieu of SWBT Tariff F.C.C. 69, Section 2.6.4 (B).

(A) 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 39, 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, subscribe to an otherwise available term payment plan as applicable in Section 39, or disconnect the Subject Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.4 Terms and Conditions (Cont'd)

(C) Service Terms (Cont'd)

(1) If the Customer disconnects a Subject Service before completing the Service Term during the Term Period, or if the Customer fails to comply with the Terms and Conditions of this Contract Offer or with any provision of any other applicable tariff, termination charges shall apply in accordance with Section 41.148.10.

41.148.5 Rates and Charges

(A) [1] Rates and Charges

The Customer must pay the Monthly Recurring Charges (MRCs) listed in Table A, below, for new and/or upgraded [1] Subject Services ordered under this Contract Offer.

TABLE A

SWBT [1]		
Rate Element	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

[1] See footnote (1) on page 41-1308.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.5 Rates and Charges (Cont'd)

(B) [1] Rates and Charges

The Customer must pay the MRCs listed in Table B, below, for new and/or upgraded [1] Subject Services ordered under this Contract Offer.

TABLE B

SWBT [1]		
Rate Element	**USOC**	**MRC**
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]
[1]	[1]	[1]

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

(C) DS3 Central Office Multiplexing Rates and Charges:

The Customer must pay the MRC listed in Table C, below, for the new DS3 Central Office Multiplexing Subject Service ordered under this Contract Offer:

TABLE C

DS3 Rate Element	**USOC**	**MRC**
Central Office Multiplexing – DS3 to DS1 - Per Arrangement	MKM	$360.00

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 39.

[1] See footnote (1) on page 41-1308.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 - Special Access Bundle Service Offer (Cont'd)

41.148.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in Tariff F.C.C. No. 73, Section 2.2.1, 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 41.148.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.7 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.

41.148.8 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 41.148.3, and Terms and Conditions outlined in Section 41.148.4;

(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 (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.9 Detariffing

If, during the Term Period of this Contract Offer, the Telephone Company withdraws, cancels or amends any tariff provisions related to any of the services subject to this Contract Offer as a result of an order of the Federal Communications Commission (FCC) granting approval, in whole or in part, of a petition for forbearance from Title II regulation of any services subject to this Contract Offer, the Telephone Company and the Customer shall cooperate in good faith to assure that the rights and obligations of both parties under this Contract Offer are preserved and continue in full force and effect to the greatest extent practicable and consistent with applicable law.

41.148.10 Termination Liability

(A) Contract Term Period

Termination liability language, as described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 20, [1], and [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 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 X 48 months) X 50% = $2,400,000 termination liability charge

[1] See footnote (1) on page 41-1308.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.148 Contract Offer No. 148 – Special Access Bundle Service Offer (Cont'd)

41.148.10 Termination Liability (Cont'd)

(B) Service Term Period

Termination liability language, as described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Sections 20, [(1)], and [(1)]. If the Customer discontinues a Subject Service provided under this Contract Offer before the completion of the 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 X 48 months) X 50% = $240,000 termination liability charge

[(1)] See footnote (1) on page 41-1308.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. DSRS 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. 149 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1319.

ACCESS SERVICES

41. [1]

[1] Material previously contained in this section has been deleted. OCN PTP 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. 150 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.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. [1]

[1] See footnote (1) on page 41-1326.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term

41.151.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements, as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(A) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.2 Contract Terms

(A) Contract Offering No. 151 is available during the purchase period, which begins November 1, 2007 and ends December 31, 2007.

(B) SWBT Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 151.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B), and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 151, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.2 Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 151 is one (1) year, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(B) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 151 will be automatically converted to the applicable monthly renewal rate, found in Section 41.151.3 (B). The Customer may terminate Contract Offering No. 151 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 151 upon thirty (30) days written notice any time following the completion of the initial contract term.

(C) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(D) No other discount pricing plans apply.

(E) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 151.

(F) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 151 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.151.2(L). The termination charge for Contract Offering No. 151 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(G) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 151 terminated, and the termination charges described in 41.151.2(J) will apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the Non-Recurring Charge (NRC) to install service as reflected in Section 41.151.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.2 Contract Terms (Cont'd)

(L) The Customer may elect to discontinue Contract Offering No. 151 at any time prior to the expiration of the initial contract term, without incurring the termination charges described in Section 41.151.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user's premises to which Contract Offering No. 151 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 151.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 151.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 151 terminated. If Contract Offering No. 151 is terminated during the initial contract term, the termination charges described in Section 41.151.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which the service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.151.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.151.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table (A), herein, are one-time charges that apply for specific work activities.

(a) An NRC applies for installation of each AA+ Transport Service, or to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.151 Contract Offering No. 151 – Access Advantage Plus Transport Service – One Year Term (Cont'd)

41.151.3 Rate Regulations (Cont'd)

(A) Types of Rates and Charges (Cont'd)

(1) Monthly Recurring Charges (MRCs), as listed in Table A, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table (A)

	MRC	**NRC**	**CRIS USOC**	**CABS USOC**
Initial Contract Term	$350.00	$1,000.00	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$ 103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term

41.152.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements, as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.152.1 General Description (Cont'd)

(B) (Cont'd)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.152.2 Contract Terms

(A) Contract Offering No. 152 is available during the purchase period, which begins November 1, 2007 and ends December 31, 2007.

(B) SWBT Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 152.

(1) The Access Order Charge described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 152, is the initial contract term.

(4) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(5) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

(D) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.152.2 Contract Terms (Cont'd)

(A) The initial contract term for Contract Offering No. 152 is two (2) years, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(F) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 152 will be automatically converted to the applicable monthly renewal rate, found in Section 41.152.3 (B). The Customer may terminate Contract Offering No. 152 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 152 upon thirty (30) days written notice any time following the completion of the initial contract term.

(G) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(H) No other discount pricing plans apply.

(I) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 152.

(J) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 152 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.152.2(L). The termination charge for Contract Offering No. 152 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

(K) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 152 terminated, and termination charges described in Section 41.152.2(J) will apply. If a request is made to move AA+ Transport Service to a new location within the end user's premises at which service was originally established, the charge for the move is one-half of the NRC to install service as reflected in Section 41.152.3(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont’d)

41.152.2 Contract Terms (Cont’d)

(L) The Customer may elect to discontinue Contract Offering No. 152 at any time prior to the expiration of the initial contract term, without incurring the termination charges described in Section 41.152.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user’s premises to which Contract Offering No. 152 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer’s initial contract term for Contract Offering No. 152.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer’s initial contract term for Contract Offering No. 152.

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company’s intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 152 terminated. If Contract Offering No. 152 is terminated during the initial contract term, the termination charges described in Section 41.152.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which service will be provided.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.152.2 Contract Terms (Cont'd)

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.152.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

41.152.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table B, herein, are one-time charges that apply for specific work activities.

(a) An NRC does not apply for installation of each AA+ Transport Service, or to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.152 Contract Offering No. 152 – Access Advantage Plus Transport Service – Two Year Term (Cont'd)

41.152.3 Rate Regulations (Cont'd)

(A) Types of Rate and Charges (Cont'd)

(1) MRCs, as listed in Table B, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table B

	MRC	NRC	CRIS USOC	CABS USOC
Initial Contract Term	$310.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

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41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term

41.153.1 General Description

(A) Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user’s network access connections for multiple voice, data and other special access services onto a single interstate DS1 High Capacity Special Access Service. AA+ Transport Service includes a DS1 High Capacity Special Access Service between an end user’s designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Service-to-Service Through Connect Arrangements, as described below.

An AA+ Transport Service Node is a Telephone Company designated hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Service-to-Service Through Connect Arrangements, which are described in Section 7.2.18.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 256 Kbps of capacity.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont’d)

41.153.1 General Description (Cont’d)

(B) (Cont’d)

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

(C) AA+ Transport Service is available in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.153.2 Contract Terms

(A) Contract Offering No. 153 is available during the purchase period, which begins November 1, 2007 and ends December 31, 2007.

(B) SWBT Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's initial contract term or during a renewal term, other than to provisions noted below, apply to Contract Offering No. 153.

(1) The Access Order Charge, described in Section 5.3.1 does not apply during the initial contract term. The Access Order Charge applies during a renewal term.

(2) The Design Change Charge described in Section 5.3.2(A), the Service Date Change Charge described in Section 5.3.2(B) and the Expedited Order Charge described in Section 5.3.2(C) do not apply during the initial contract term. The Design Change Charge, the Service Date Change Charge and the Expedited Order Charge apply during a renewal term.

(3) The Partial Cancellation Charge described in 5.3.2(D) and the Access Order Cancellation Charge described in 5.3.3 do not apply to the initial order to install AA+ Transport Service.

(4) The Minimum Period, as described in Section 5.3.4 for Contract Offering No. 153, is the initial contract term.

(5) Minimum Period Charges described in Sections 2.5.4 and 5.3.4 do not apply.

(6) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk and Access Advantage Plus Plexar services that are cross connected to AA+ Transport Service.

(C) Service date intervals for the initial installation of AA+ Transport Service, and requests to rearrange or add Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service, are negotiated intervals.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.153.2 Contract Terms (Cont'd)

(A) When Telephone Company facilities are available, the negotiated interval for the service date may not exceed ninety (90) days following the Application Date, as described in Section 5.2.1(C).

(B) The initial contract term for Contract Offering No. 153 is three (3) years, and commences on the service date, which is the date installation of AA+ Transport Service is completed by the Telephone Company. Billing commences on the first day of the initial contract term.

(C) At the conclusion of the initial contract term, Subject Services provided under Contract Offering No. 153 will be automatically converted to the applicable monthly renewal rate, found in Section 41.153.3 (B). The Customer may terminate Contract Offering No. 153 prior to the first renewal term by providing the Telephone Company with written notice of the intent to terminate service no later than thirty (30) days before the initial contract term expires. The Customer or the Telephone Company may terminate Contract Offering No. 153 upon thirty (30) days written notice any time following the completion of the initial contract term.

(D) The monthly rate will not change during the initial contract term or during the successive renewal terms in which service is provided.

(E) No other discount pricing plans apply.

(F) AA+ Transport Service promotions offered in Section 42 may apply to Contract Offering No. 153.

(G) If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 153 prior to the expiration of the initial contract term, a termination charge applies, except as described in Section 41.153.2(L). The termination charge for Contract Offering No. 153 is fifty (50) percent of the remaining monthly rate payments due for the balance of the initial contract term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

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41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.153.2 Contract Terms (Cont'd)

(A) If the physical location of the end user's premises changes during the initial contract term, the Telephone Company considers Contract Offering No. 153 terminated, and the termination charges described in Section 41.153.2(J) will apply. No charge applies to move AA+ Transport Service to a new location within the end user's premises at which service was originally established.

(L) The Customer may elect to discontinue Contract Offering No. 153 at any time prior to the expiration of the initial contract term, without incurring the termination charges described in Section 41.153.2(J), when all of the following conditions are met:

(1) The Customer establishes a new interstate special access service of equal or greater capacity.

(2) The new service is provided to the same end user's premises to which Contract Offering No. 153 was provided.

(3) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 153.

(4) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 153.

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41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.153.2 Contract Terms (Cont'd)

(M) A minimum of four (4) DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's intrastate Access Advantage Plus Integrated Voice Access Lines, Access Advantage Plus Trunk or Access Advantage Plus Plexar services, and will be maintained during the initial contract term and all renewal terms. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the initial contract term or a renewal term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 153 terminated. If Contract Offering No. 153 is terminated during the initial contract term, the termination charges described in Section 41.153.2(J) will apply.

(N) The Telephone Company will designate the AA+ Transport Service Node from which the service will be provided.

(O) The AA+ Transport Service Customer is responsible for channel assignments, which include the following obligations:

(1) Specify the DS0 channel assignments to connect AA+ Transport Service via Service-to-Service Through Connect Arrangements to the DS0 channels derived from other multiplexed high capacity service arrangements.

(2) Designate the consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.153.1(B).

(3) Identify the DS0 channel assignments when rearranging or adding Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offering (Cont'd)

41.153 Contract Offering No. 153 – Access Advantage Plus Transport Service – Three Year Term (Cont'd)

41.153.3 Rate Regulations

(A) Types of Rates and Charges

(1) NRCs, as listed in Table C, below, are one-time charges that apply for specific work activities.

(a) An NRC does not apply for installation of each AA+ Transport Service, or to activate initial Service-to-Service Through Connect Arrangements.

(b) An NRC applies on a "per DS0 channel" basis to service rearrangements that add or rearrange Service-to-Service Through Connect Arrangements associated with an existing AA+ Transport Service.

(2) MRCs, as listed in Table C, below, are fixed recurring rates that apply each month, or fraction thereof, that AA+ Transport Service is provided. For billing purposes, each month is considered to have thirty (30) days.

(a) An MRC applies during the initial contract term and during a renewal term.

(b) The Special Access Surcharge applies on a per equivalent voice grade channel basis in accordance with Section 7.2.5.

(B) Rates and Charges

Table C

	MRC	**NRC**	**CRIS USOC**	**CABS USOC**
Initial Contract Term	$200.00	$0	DZS1P	1ZZPZ
Renewal Term	$425.00	N/A	DZS1P	1ZZPZ
Service Rearrangement	N/A	$103.00	NRMHR	1ZZPZ
Special Access Surcharge	$ 25.00	N/A		S25

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer

41.154.1 General Description

DS1 and DS3 Service Offer (Contract Offer No. 154) is an access discount 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. (Nx)

Contract Offer No. 154 requires eligible Customers to comply with a Minimum Annual Revenue Commitment (MARC), as described in Section 41.154.4(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 41.154.3(A), and Contributory Non-Subject Services, as described in Section 41.154.3(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. 154 is available for subscription from May 9, 2008 through June 9, 2008.

41.154.2 Eligibility Criteria

The Customer must meet the following Eligibility Criteria:

(A) Subject Service must be a pricing flexibility qualified access service, as described in SWBT Tariff F.C.C. No. 73, Section 39.

(x) Issued under Authority of Special Permission of No. 08-009 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.2 Eligibility Criteria (Cont'd)

(B) Contributory Subject Services must be located in the following MSAs:

Fayetteville-Springdale, AR; Fort Smith, AR; Little Rock, AR; Memphis, AR; Kansas City, KS; Non-MSA, KS; Topeka, KS; Wichita, KS; Joplin, MO; Kansas City, MO; Springfield, MO; St. Joseph, MO; St. Louis, MO; Lawton, OK; Oklahoma City, OK; Tulsa, OK; Abilene, TX; Amarillo, TX; Austin-San Marcos, TX; Beaumont, TX; Brownsville-Harlingen, TX; Corpus Christi, TX; Dallas-Ft. Worth, TX; El Paso, TX; Houston, TX; Longview-Marshall, TX; Lubbock, TX; McAllen-Edinburg, TX; Midland, TX; San Antonio, TX; Tyler, TX; Waco, TX; and Wichita Falls, TX.

(C) The Customer must concurrently subscribe to the following Contract Offers:

- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 180; (Nx)
- 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. (Nx)

(x) Issued under Authority of Special Permission of No. 08-009 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.3 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 Service (DS1 - 1.544 Mbps)	SWBT Tariff F.C.C. No. 73, Sections 7 and 39
MegaLink Data Service (DS3)	SWBT Tariff F.C.C. No. 73, Sections 20 and 39

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.3 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services (Cont'd)

Table 2:

Contributory Non-Subject Services[1]	
Optical Carrier Network (OCN) Point-to-Point (PTP) Service: OC3, OC12, and OC48	AT&T Interstate Access Guidebook, Part 9, Sections 39 and 40
Gigabit Ethernet Metropolitan Area Network (GigaMAN)	AT&T Interstate Access Guidebook, Part 9, Sections 7 and 39
10 Gigabit Ethernet Metropolitan Area Network (DecaMAN®)	AT&T Interstate Access Guidebook, Part 9, Sections 33 and 39
Optical Ethernet Metropolitan Area Network (OPT-E-Man®)	AT&T Interstate Access Guidebook, Part 9, Section 43

(C) All terms and conditions applicable to Subject Services are provided in their respective tariff sections, except as provided in this Contract Offer.

[1] OCN PTP, GigaMAN, DecaMAN® and OPT-E-Man® 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.4 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. 154.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.4 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. 154, or any of the other concurrently subscribed to Contract Offers as described in Section 41.154.2, during the Term Period, termination liability charges will apply in accordance with SWBT Tariff F.C.C. No. 73, Sections 7 and 20.

(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 SWBT Tariff F.C.C. No. 69.

(5) The Customer must remain current on payments on all billing for Contributory Services to receive discounts and other incentives provided under this Contract Offer.

(6) The Customer must comply with the MARC, as described in Section 41.154.4(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 41.154.1, to Contributory Subject Services subject to the rates, terms and conditions of this Contract Offer and the concurrently subscribed Contract Offers.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(8) Purchase of New Contributory Subject Services

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 SWBT Tariff F.C.C. No. 73, Sections 7, 20 and 39.

(10) Commingling shall be defined as provided in Section 2.7. 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 discount plan, (e.g., MVP), except as expressly permitted in Section 41.154.2(C).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.4 Terms and Conditions (Cont'd)

(C) Minimum Annual Revenue Commitment (MARC)

(1) Determination of the MARC

The Customer agrees to a 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 Contributory Services described in Section 41.154.3 and purchased in the MSAs listed in Section 41.154.2(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 - DS1 and DS3 Service Offer (Cont'd)

41.154.4 Terms and Conditions (Cont'd)

(C) Minimum Annual Revenue Commitment (MARC) (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 41.154.2(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 SWBT Tariff F.C.C. No. 73, Section 7, 20 or 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.4 Terms and Conditions (Cont'd)

(D) Service Term (Cont'd)

(2) Portability Incentive

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 41.154.4(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 41.154.2(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.5 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 39 of SWBT Tariff F.C.C. No. 73, 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:

Channel Termination - Per Point of Termination		
USOC	Zone	Credit on MRCs
TMECS	1	5%
TMECS	2	5%
TMECS	3	5%
Channel Mileage - Fixed		
USOC	Zone	Credit on MRCs
1L5XX	1	5%
1L5XX	2	5%
1L5XX	3	5%
Channel Mileage - Per Mile		
USOC	Zone	Credit on 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 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.5 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 20 or 39 of SWBT Tariff F.C.C. No. 73, 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:

Channel Termination - Per Point of Termination		
USOC	Zone	Credit on MRCs
TUZPX	1	5%
TUZPX	2	5%
TUZPX	3	5%
Inter-office Fixed mileage per DS3 or DS3 equivalent – Fixed		
USOC	Zone	Credit on MRCs
10XHX/10XLX	1	5%
10XHX/10XLX	2	5%
10XHX/10XLX	3	5%
Channel Mileage - Per Mile		
USOC	Zone	Credit on MRCs
1J5HS/1HXLS	1	5%
1J5HS/1HXLS	2	5%
1J5HS/1HXLS	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 SWBT Tariff F.C.C. No. 73, Section 39.

(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 41.154.4(B)(8), above. Other NRCs will apply as otherwise provided in SWBT Tariff F.C.C. No. 73, Sections 7, 20, and 39.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 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, 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 41.154.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.154 Contract Offer No. 154 – DS1 and DS3 Service Offer (Cont'd)

41.154.7 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.155 Contract Offer No. 155 – Special Access Service Offer

41.155.1 General Description

Special Access Service Offer (Contract Offer No. 155) 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 BellSouth Telecommunications Inc. (BellSouth) Tariff F.C.C. No. 1, Section 25, Contract Offer No. 55. The Customer must meet the Eligibility Criteria set forth in Section 41.155.3 and must comply with all Terms and Conditions of this Contract Offer. (Nx)

Contract Offer No. 155 requires that the Customer meet DS1 and DS3 Volume Commitments for each year of the Term Period, as described in 41.155.5. If the Customer does not meet the Volume Commitments, the Customer will be subject to Shortfall Charges, as set forth in Section 41.155.6, and/or Termination Liability Charges, as set forth in Section 41.155.10.

41.YY.2 Subject Services

Contract Offer No. 155 applies to pricing-flexibility qualified access services contained in the following tariff sections:

- Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Sections 7 and 39, High Capacity Service (DS1); and
- SWBT Tariff F.C.C. No. 73, Sections 20 and 39, MegaLink Data Service (DS3).

(x) Issued under Authority of Special Permission No. 08-011 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to subscribe to Contract Offer No. 155, and must continue to meet the Eligibility Criteria as described below throughout the Term Period of this Contract Offer:

(A) Contract Offer No. 155 applies only to Subject Services located in the following Metropolitan Statistical Areas (MSAs): Wichita Falls, Longview/Tyler, and Waco, TX.

(B) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 155, pursuant to the following tariffs:

(1) Ameritech Tariff F.C.C No. 2, Section 22, Contract Offer No. 181; and (Nx)

(2) BellSouth Tariff F.C.C. No. 1, Section 25, Contract Offer No. 55. (Nx)

(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).

(x) Issued under Authority of Special Permission No. 08-011 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.4 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. 155 is not renewable.

(B) Contract Offer No. 155 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 Southwestern Bell Telephone Company, F.C.C. No. 73, 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 SWBT Tariff F.C.C. No. 73, Section 2.7. 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 SWBT Tariff F.C.C. No. 73, Section 5 – Ordering Options.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.4 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 Offer in Section 41.155.3.

41.155.5 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 two hundred (200) 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 twelve (12) 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.6 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 table below:

Service	Shortfall Charge
DS1	$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 41.155.10.

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.7 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, 20, or 39 of SWBT Tariff F.C.C. No. 73, 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	**USOC**
Channel Termination – per point of termination - Zones 1 - 3	TMECS
Channel Mileage – Fixed – Zones 1 - 3	1L5XX
Channel Mileage – Variable - Zones 1 - 3	1L5XX
DS3 Rate Elements	**USOC**
Channel Termination – per point of termination - Zones 1 - 3	TUZPX
Channel Mileage – Fixed - Zones 1 - 3	1OXHX 1OXLX
Channel Mileage – Variable - Zones 1 - 3	1J5HS 1XHLS

Generally applicable Non-Recurring Charges (NRCs) shall apply.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.155.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.9 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.155 Contract Offer No. 155 – Special Access Service Offer (Cont'd)

41.155.10 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 SWBT Tariff F.C.C. No. 73, Section 7.

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer

41.156.1 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 41.156.2 with a discount on the Monthly Recurring Charges (MRCs) listed in Section 41.156.4. Qualified services listed in Section 41.156.2 must meet the Eligibility Criteria described in Section 41.156.2.

Contract Offer No. 156 is available for subscription from July 31, 2008 to October 31, 2008. This Contract Offer is not renewable.

41.156.2 Eligibility Criteria

(A) This Contract Offer applies to the following pricing flexibility qualified access services as described in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 (Subject Services):

Megalink Custom Services (DS3) – Section 20

(B) Contract Offer No. 156 is available for Subject Services located in any of the Pricing Flexibility MSAs listed below:

Fayetteville-Springdale, AR; Fort Smith, AR; Little Rock, AR; Memphis, AR; Kansas City, KS; Non-MSA, KS; Topeka, KS; Wichita, KS; Joplin, MO; Kansas City, MO; Springfield, MO; St. Joseph, MO; St. Louis, MO; Lawton, OK; Oklahoma City, OK; Tulsa, OK; Abilene, TX; Amarillo, TX; Austin-San Marcos, TX; Beaumont, TX; Brownsville-Harlingen, TX; Corpus Christi, TX; Dallas-Ft. Worth, TX; El Paso, TX; Houston, TX; Longview-Marshall, TX; Lubbock, TX; McAllen-Edinburg, TX; Midland, TX; San Antonio, TX; Tyler, TX; Waco, TX; and Wichita Falls, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.2 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) DS3 Extension Bundles must terminate on a Dedicated SONET Ring Service (DSRS) Ring[1] provided by the Telephone Company.

(F) This Contract Offer does not apply to DSRS[1] DS3 ports or DS3 services terminated to collocation.

[1]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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.3 Terms and Conditions

(A) Service Terms for Subject Services

Subject Services shall be subject to a minimum term commitment (Service Term) of twelve (12), thirty-six (36), or sixty (60) months, as applicable to the Term Pricing Plan (TPP) 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 20 and 39, unless the Customer:

(1) Selects from the TPP options listed in Sections 20 and 39; 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 thereafter, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.3 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(4) If the Customer discontinues service under Contract Offer No. 156 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 41.156.7.

(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 2.7. 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 41.156.4, the Customer will pay the tariff rates as contained in Sections 20 and 39, as applicable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.4 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The Customer must pay the MRCs, listed below, for new DS3 Extension Bundle Service ordered under this Contract Offer.

Any rate element not described herein will be subject to the applicable tariff rates provided in Sections 20 and 39.

DS3 Service Bundle	USOCs	1 Year Term	3 Year Term	5 Year Term
DS3 IOF Fixed	1OXHX 1OXLX	$1100	$900	$800
DS3 IOF Mileage (1-15 miles only)	1J5HX 1HXLS			
DS3 to DS1 Multiplexer	MKM			

Generally applicable Non-Recurring Charges (NRCs) shall apply.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.156 Contract Offer No. 156 – DS3 Extension Bundle Service Offer (Cont'd)

41.156.6 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.

41.156.7 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 20 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 20. 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 (12) months remaining in a thirty-six (36) month term plan. The termination liability would be calculated as:

$900 X 12 = $10,800 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.157 Contract Offer No. 157 – Special Access Service Offer

41.157.1 General Description

Special Access Service Offer (Contract Offer No. 157) 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) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39. Contract Offer No. 157 is available to any Customer with at least $23 million in cumulative annual recurring revenue for Contributory Services, as defined in Sections 41.157.3(A) and 41.157.3(B), for purchases from the Telephone Company and the affiliated companies identified in Section 41.157.2(D). The Customer must meet the Eligibility Criteria set forth in Section 41.157.2, and also must comply with all Terms and Conditions of this Contract Offer. (Nx) (Nx)

Contract Offer No. 157 requires the Customer to establish and comply with a Minimum Annual Revenue Commitment (MARC) for each year of the three (3) year Term Period, as defined in Section 41.157.5(A). The MARC shall include all Contributory Services purchased from the Telephone Company and from the affiliated telephone companies identified in Section 41.157.2(D) of this Contract Offer. Contributory Services include Subject Services, as described in Section 41.157.3(A), and Non-Subject Services, as described in Section 41.157.3(B), herein. Non-Subject Services are not eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described above must be purchased through the AT&T wholesale sales channel (AT&T Wholesale Services).

Contract Offer No. 157 will only be available December 6, 2008 through January 6, 2009.

(x) Issued under Authority of Special Permission No. 08-024 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 - Special Access Service Offer (Cont'd)

41.157.2 Eligibility Criteria

(A) To be eligible to subscribe to this Contract Offer, the Customer may not purchase services pursuant to MVP Offering in Section 38 or any other MARC-based contract offer or contract that includes Subject Services provided under this Contract Offer

(B) During the calendar year prior to the Customer's subscription to this Contract Offer, the Customer's billed recurring charges for Switched Access Dedicated Transport Services shall have been no greater than $125,000.

(C) As of the date of the Customer's subscription to this Contract Offer, the Customer must be purchasing OPT-E-MAN[1] Service from the Telephone Company in two or more MSAs.

(D) Concurrent Subscription

The Customer must concurrently subscribe to the following Contract Offers:

(1) Ameritech Tariff F.C.C No. 2, Section 22, Contract Offer No. 183; (Nx)

(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 145; and

(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 40. (Nx)

(x) Issued under Authority of Special Permission No. 08-024 of F.C.C.

[1]Opt-E-MAN 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.3 Contributory Services

The Customer's revenues for purposes of determining the achievement of the MARC shall include eligible Contributory Services provided under this Contract Offer and the other contract offers to which concurrent subscription is required by Section 41.157.2(D). Contributory Services include Subject Services, as listed in Table 1, below, in addition to Non-Subject Services, as listed in Table 2, below.

Subject Services and Non-Subject Services shall together be known as Contributory Services for the purposes of this Contract Offer. The Customer's revenue, for purposes of determining the achievement of the MARC, includes recurring revenue from all Contributory Services, as listed in Tables 1 and 2, herein, and the equivalent services provided by the affiliated telephone companies listed in Section 41.157.2(D) of this Contract Offer.

(A) Subject Services

Contract Offer No. 157 applies to pricing-flexibility-qualified access services (Subject Services) contained in the following tariff sections as listed in Table 1, below:

Table 1

Service	**General Description**	**Rates & Charges Phase I**	**Rates & Charges Phase II**
Special Access DS1 Services	7.3.10	7.3.10(F)	39.5.2.7
Special Access DS3 Services	20.4.1	20.4.3	39.5.2.12
Special Access Metallic Service	7.3.2	7.3.2(E)	39.5.2.1
Special Access Telegraph Grade Service	7.3.3	7.3.3(E)	21.5.2.2
Special Access Voice Grade Service	7.3.4	7.3.4(G)	21.5.2.3
Switched Access Dedicated Transport Services	6.8.1		

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.3 Contributory Services (Cont'd)

(A) Subject Services (Cont'd)

Contract Offer No. 157 applies to Subject Services (as listed above) located in the following Metropolitan Statistical Areas (MSAs):

(1) The rates, Terms and Conditions of this Contract Offer shall apply to all Channel Terminations and Interoffice (Channel) Mileage, both Fixed and Per Mile associated with Subject Services, including Channel Terminations between the Telephone Company's end office and an end user premises (End User Channel Terminations) in the following MSAs:

Abilene, TX; Amarillo, TX; Corpus Christi, TX; Fayetteville – Springdale, AR; Lawton OK; Little Rock – North Little Rock, AR; Longview – Marshall, TX; Lubbock, TX; Midland, TX; Springfield, MO; St. Joseph, MO; Topeka, KS; Austin – San Marcos, TX; Dallas – Ft. Worth, TX; St. Smith, AR-OK; Houston, TX; Joplin, MO; Kansas City, KS-MO; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Waco, TX; Wichita Falls, TX; Wichita, KS.

(2) The rates, Terms and Conditions of this Contract Offer shall apply to Channel Terminations, Interoffice (Channel) Mileage - Fixed and Per Mile associated with Subject Services, except for End User Channel Terminations, in the following MSAs:

Brownsville – Harlingen, Tx; McAllen – Edinburgh – Mission, TX; Tyler, TX; Beaumont – Port Arthur, TX; El Paso, TX; Non-MSA, KS; Non-MSA, MO.

(3) If the Telephone Company is granted pricing flexibility relief in additional MSAs, any eligible Subject Services that the Telephone Company provides to the Customer, pursuant to this Contract Offer and available in those additional MSAs, may, at the Customer's option, be included in this Contract Offer beginning with the first year after the Telephone Company is granted the pricing flexibility in those additional MSAs, provided that the MARC increases to reflect the recurring annual revenues associated with the additional Subject Services, as described in Section 41.157.5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.3 Contributory Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services shall be included in the MARC, but shall not otherwise be subject to the rates, Terms and Conditions of this Contract Offer. Non-Subject Services are listed in Table 2, below.

Table 2 – Non-Subject Services

Intrastate Special Access	Equivalent VG, DS0, DS1, DS3, Services
Includes all Recurring Charges and excludes Non-Recurring Charges associated with the products listed, where applicable, for all non-pricing flexibility qualified services.	

If the Telephone Company introduces a new Special Access or Switched Access service, or an enhancement to an existing Special Access or Switched Access service, then such services shall be automatically included as Contributory Services, and the Customer's purchases of such new or enhanced Contributory Services shall be included in the calculation of the MARC, subject to the Terms and Conditions set forth in this Contract Offer.

All terms and conditions for the Contributory Services listed above are governed by their respective tariff sections, except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 41.157.5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is three (3) years, commencing on the date the Telephone Company receives a Letter of Subscription (LOS). The Anniversary Date shall be the same date in each of the following two (2) years. Contract Offer No. 157 is not renewable.

(B) Other Terms and Conditions.

(1) Contributory Services are subject to certain rates, charges, and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(2) Contract Offer No. 157 is available for subscription only from December 6, 2008 through January 6, 2009.

(3) The Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The LOS shall identify all ACNAs under which the Customer may order and purchase Contributory Services or Subject Services pursuant to this Contract Offer. Any services ordered or purchased under ACNAs not identified in the LOS may not be included in or transferred to this Contract Offer.

(4) The Customer shall not purchase Subject Services in this Contract Offer pursuant to any future contract offer or other agreement, unless the future contract offer or other agreement expressly permits the inclusion of such Subject Services.

(5) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.7 of Subject Services under this Contract Offer, is prohibited.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.4 Terms and Conditions (Cont'd)

(B) Other Terms and Conditions (Cont'd)

(6) The Customer must pay billed charges in full throughout the Term Period, excluding amounts properly disputed. Disputed amounts will not be counted toward the Customer's satisfaction of the MARC. The Telephone Company will exhaust its remedies under SWBT Tariff F.C.C. No. 73, Section 2.5 before exercising any remedy under this Section. The Telephone Company will provide the Customer written notice (via registered letter) of non-compliance. The Customer will have thirty (30) days from receipt of the written notice to comply, which may be extended by mutual agreement of the Parties to allow the Parties to attempt to resolve any disputes. During this thirty (30) day period, or a period to be mutually agreed upon by the Parties, the Parties will cooperate in good faith to attempt to resolve any pending disputes. If, following that period, the Parties have exhausted attempts to resolve any pending disputes, or the Parties have resolved disputes and the Customer does not comply with written notice of non-compliance, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.157.10, will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes). Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in SWBT Tariff F.C.C. No. 73, Section 2.5.

(7) The Customer will continue to receive the benefit of rate stability, if any, for any existing Subject Services currently under a term payment plan with the Telephone Company as provided for in the applicable tariff section from which the Subject Services were purchased.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.4 Terms and Conditions (Cont'd)

(B) Other Terms and Conditions (Cont'd)

(8) If the Customer previously subscribed to SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 107, the Telephone Company shall waive any termination liability charges that would otherwise apply pursuant to Contract Offer No. 107 as a result of the migration of Subject Services from Contract Offer No. 107 to this Contract Offer. Termination liability charges 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 the Contract Offer No. 107. Services purchased under other ACNAs or transferred from other ACNAs shall not be included in this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.5 Minimum Annual Revenue Commitment (MARC)

This Contract Offer requires the Customer to establish and comply with a Minimum Annual Revenue Commitment (MARC) for each year of the Term Period, as defined in Section 41.157.5(A). The MARC shall include all Contributory Services purchased from the Telephone Company available under this Contract Offer, or from the affiliated companies identified in Section 41.157.2(D).

(A) Establishing the MARC

(1) The Customer's Year 1 MARC, upon subscription to this Contract Offer, shall be $23 million, or four (4) times the Customer's most recent three (3) months' recurring revenue prior to the beginning of the Term Period, whichever is greater.

(2) The MARC will be re-established, effective on each Anniversary Date, beginning on the first anniversary. The MARC for Years 2 and 3 will be based on the Customer's actual monthly recurring revenue for all Contributory Services during the last three (3) months of the preceding year of the Term Period, multiplied by four (4), or the then-current MARC, whichever is greater.

Example 1: Term Period begins on January 1, 2009. The Year 1 MARC is established upon subscription at $23 million. The Customer's actual revenue from October 1, 2009 to December 31, 2009 is $6 million. The new Year 2 MARC, effective January 1, 2010, is $24 million ($6 million multiplied by 4 equals $24 million.)

Example 2: The Year 2 MARC is $24 million. The Customer's actual revenue to the Telephone Company from October 1, 2010 to December 31, 2010 is $5.5 million. The new Year 3 MARC, effective December 1, 2010, is $24 million. (The $24 million MARC is due to the fact that the MARC recalculation cannot result in a MARC lower than the current MARC.)

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Inclusion of Subject Services

(1) Revenues included in the MARC are limited to the following:

(a) Monthly billed recurring revenues, including (net of) any credits or discounts given under existing pricing plans (e.g., Term Payment Plan or Commitment Discount Plan), if applicable, for the Subject Services provided during the Term Period; or

(b) Any credits and adjustments made to monthly billed amounts for Subject Services which are purchased by the Customer during the Term Period.

All charges other than those listed in Section 41.157.5(B)(1) are excluded from the MARC.

(C) Inclusion of Additional Contributory Services

The Customer may, at its option, include in this Contract Offer any Contributory Services previously being provided to the Customer by the Telephone Company pursuant to an intrastate tariff, provided, however, that the MARC must be increased to reflect the recurring annual revenues associated with the additional Contributory Services, as provided in Section 41.157.5.

Example Year 1 MARC = $23 million. If, during Year 1, Customer wishes to include $2 million of annual spend currently purchased from the Telephone Company under another tariff or contract offer, and if those services qualify as Contributory Services, the new Year 1 MARC is $25 million.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

(1) The Customer and the Telephone Company shall exchange information quarterly, and shall meet quarterly, if necessary, to review the Customer's progress toward achieving the MARC for the term years. The Customer and the Telephone Company will meet in the ninth month of each year of the Term Period to discuss and address, if necessary, compliance with the Terms and Conditions of the Contract Offer prior to the Anniversary Date.

(2) If the Customer fails to comply with the MARC for any year during the Term Period, determined as of the Anniversary Date, the Customer will be required to remit an Annual True-up payment equal to the difference between the MARC and the Customer's actual billed recurring revenue for Contributory Services. The True-up calculation will be performed as follows:

MARC – Actual annual recurring revenues for Contributory Services = Annual True-up Amount

If the Customer fails to submit its Annual True-Up payment to the Telephone Company within thirty (30) days after notification by the Telephone Company, the Customer shall be deemed to have terminated its Contract Offer No. 157, and termination charges will apply as set forth in Section 41.157.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.6 Discounts and Other Credits

(A) Discount Schedule and Application

On each Anniversary Date, if the Customer has complied with the MARC and is otherwise in compliance with this Contract Offer, the Customer shall be eligible to receive an annual Billing Credit of seven and one-half (7.5) percent of the Annual Recurring Charges for Subject Services, up to a maximum of $2,250,000. Billing Credits will be applied to the Customer's bill no later than ninety (90) days after each Anniversary Date. Recurring revenue generated from Subject Services that were not included in this Contract Offer at the time of subscription will not be eligible for Billing Credits, unless and until such services have been made Additional Contributory Services as provided by this Contract Offer.

MARC levels will be rounded up or down to the nearest $10,000.

Example: If the Customer meets the minimum MARC of $23 million for the sum of all Contributory Services, and has Subject Services revenue of $19,584,000, the Customer will be eligible to receive a credit of $1,489,050.

$19,854,000 X 7.5% = $1,489,050

41.157.7 Non-Recurring Charges

(A) Conversion of Existing and UNE Services

The Telephone Company will waive installation non-recurring charges (NRCs) associated with the conversion of UNEs or existing special access services to Subject Services purchased pursuant to this Contract Offer, except for Access Order charges.

In addition, the Telephone Company will waive NRCs associated with the conversion of existing UNE circuits which are converted to Special Access Services under the terms of this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.7 Non-Recurring Charges (Cont'd)

(B) New Subject Services

The Telephone Company will waive applicable installation NRCs for new Subject Services purchased pursuant to this Contract offer, except for Access Order Charges.

(C) To receive credits for installation NRCs as defined in 41.157.7(B), the Customer must be in compliance with all Terms and Conditions of this Contract Offer. Additionally, if the Customer fails to meet the MARC on an Anniversary Date pursuant to Section 41.157.5(A), and/or fails to pay the Annual True-Up as defined in Section 41.157.5(D), termination liability charges will apply as set forth in Section 41.157.10.

(D) In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis.

The Customer must pay all other applicable non-recurring charges, including, but not limited to, rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges, as described in SWBT Tariff F.C.C. No. 73, Section 5 for Subject Services pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 - Special Access Service Offer (Cont'd)

41.157.8 Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of Subject Services. 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 these charges on a quarterly basis. In order to receive credits, or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;

(B) The Customer shall be permitted to move and/or disconnect Subject Services from any of the identical Contract Offers, as described in Section 41.157.2(D);

(C) DS1 Subject Services must have been in service for a minimum of one (1) month from the original installation date; and

(D) DS3 Subject Services must have been in service for a minimum of one (1) year from the original installation date.

41.157.9 Mergers and Acquisitions Involving the Customer

The Terms and Conditions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting the Customer or the Telephone Company. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.10 Termination Liability

(A) Termination Liability Charges

Termination liability language, described below, applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section 7 and 20. If the Customer terminates Contract Offer No. 157 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), 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. The Customer must provide written notification ninety (90) days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer. If the Customer fails to meet any of the eligibility criteria in Section 41.157.2, or fails to meet any of the Terms and Conditions in Section 41.157.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 157, and termination liability charges will apply, as stated below, and will be payable pursuant to SWBT Tariff F.C.C. No. 73, Section 2.5.

The Customer's termination liability charge shall be equal to the following: If the Customer terminates the Contract Offer prior to the expiration of a term year, one-hundred (100) percent of all Discounts (including non-recurring charges and early termination charges) received under Contract Offer No. 157 for the preceding six (6) months immediately prior to the date of termination, plus the following schedule:

(1) If terminated in Year 1, 12.5 percent of the Year 1 MARC for the remaining portion of Year 1, plus 12.5 percent of the Year 1 MARC for the remaining years of the Term Period.

(2) If terminated in Year 2, 12.5 percent of the Year 2 MARC for the remaining portion of Year 2, plus 12.5 percent of the Year 2 MARC for Contact Year 3.

(3) If terminated in Year 3, 10 percent of the Year 3 MARC for the remaining portion of Contract Year 3.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.157 Contract Offer No. 157 – Special Access Service Offer (Cont'd)

41.157.10 Termination Liability (Cont'd)

(B) New Special Access Service Offerings

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, the Customer will be permitted to enter into a new contract offer, or other contract 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 under this Contract Offer, provided, however, that the Customer's Contract Offer, or other contract or tariff governing the new service offerings, must include a term period and revenue commitment that are the same as, or greater than, this Contract Offer.

(C) This Section 41.157.10 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 157, except for charges due and payable for Contributory Services rendered prior to the date of termination, and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 41.157.7 and 41.157.10.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.158 Contract Offer No. 158 – DS3 Service Offer

41.158.1 General Description

DS3 Service Offer is an access discount pricing plan that provides Customers located in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) listed in Section 41.158.2 with a discount on Monthly Recurring Charges (MRCs), as provided in Section 41.158.4.

Contract Offer No. 158 is available for subscription from December 11, 2008 to January 11, 2009. This Contract Offer is not renewable.

41.158.2 Subject Services

(A) This Contract Offer applies to the following pricing flexibility qualified access services (Subject Services), as described in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73:

MegaLink Custom Services (DS3) – Section 20.2.1 – Central Office Multiplexing BSE.

(B) Contract Offer No. 158 is available for Subject Services located in the following Pricing Flexibility MSA: Lubbock, TX.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.158 Contract Offer No. 158 – DS3 Service Offer (Cont'd)

41.158.3 Terms and Conditions

(A) The term of this Contract Offer (Term Period) shall be eighty-four (84) months commencing upon subscription to this Contract Offer.

(B) Upon expiration of the Term Period, Subject Service(s) shall no longer be subject to this Contract Offer, but instead shall be provided according to the applicable rates, terms and conditions and at the prevailing monthly extension rates described in Sections 20 and 39, unless the Customer:

(1) Selects from the Rate Stability Plan options listed in Sections 20 and 39; or

(2) Disconnects the Subject Service(s).

(C) 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, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

(3) Within thirty (30) days after submitting its signed LOS, the Customer must begin to submit access order(s) to purchase a minimum of eighteen (18) new DS3 Subject Services, all of which must be purchased within six (6) months of subscription, pursuant to this Contract Offer.

(4) Subject Services must subtend an OC48 Dedicated Sonet Ring Service (DSRS)[1] provided by the Telephone Company.

[1]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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.158 Contract Offer No. 158 – DS3 Service Offer (Cont'd)

41.158.3 Terms and Conditions (Cont'd)

(C) General Terms and Conditions (Cont'd)

(5) If the Customer discontinues any Subject Service under Contract Offer No. 158 during the Term Period, 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 41.158.7.

(6) 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.

(7) Commingling shall be defined as provided in Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

(8) This Contract Offer is available only where suitable facilities exist.

(9) This Contract Offer does not apply to services terminated to collocation.

(10) Subject Services must be new. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.158 Contract Offer No. 158 – DS3 Service Offer (Cont'd)

41.158.4 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The MRCs listed below apply to Subject Services.

Any rate elements not described herein will be subject to the applicable tariff rates provided in Sections 20 and 39.

DS3 Rate Element	**USOCs**	**Charge Per Rate Element**
DS3/DS1 Multiplexing-Zone 1	MKM	$380.00
DS3/DS1 Multiplexing-Zone 2	MKM	$400.00
DS3/DS1 Multiplexing-Zone 3	MKM	$400.00

Generally applicable Non-Recurring Charges (NRCs) shall apply to Subject Services as described in SWBT Tariff F.C.C. No. 73.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.158 Contract Offer No. 158 – DS3 Service Offer (Cont'd)

41.158.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.158 Contract Offer No. 158 – DS3 Service Offer (Cont'd)

41.158.6 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.

41.158.7 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 20 for DS3 Service. If the Customer terminates any Subject Service before the completion of the Term Period, 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 termination, and are payable as described in Section 20. The Customer's termination liability for cancellation of service shall be equal to fifty (50) percent of all MRCs for the balance of the Term Period applicable to the relevant Subject Service(s). If the Customer terminates this Contract Offer, or if the Customer breaches any provision of this Contract Offer or any other applicable tariff provision in a manner that affects all Subject Services, termination liability charges shall apply to all Subject Services.

Example: A Customer terminates one (1) Subject Service forty-eight (48) months after the beginning of the Term Period, and has thirty six (36) months remaining in the Term Period. The applicable MRCs are $400. The termination liability would be calculated as:

($400 x 36)/2 = $7,200 termination liability charge.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer

41.159.1 General Description

Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer is an access discount pricing plan that provides a Customer located in the Pricing Flexibility Metropolitan Statistical Area (MSA) listed in Section 41.159.2, herein, with discounted rates for the renewal of one (1) existing Self-Healing Transport Network (STN) Volume Option.

This Contract Offer is available for subscription from December 11, 2008 to January 11, 2009. This offer is not renewable.

41.159.2 Service Qualifications

(A) This Contract Offer applies to pricing-flexibility-qualified services (Subject Services) as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 19.1 – Self-Healing Transport Network.

(B) Subject Services provided under this Contract Offer shall be located in the following Pricing Flexibility MSA: St. Louis, MO.

41.159.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) Service must be a Subject Service listed in Section 41.159.2; and

(B) Customer must have an existing STN Volume Option 6 purchased from the Telephone Company in the MSA described above.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be thirty-six (36) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer.

Upon completion of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently converted to the applicable month-to-month charges as set forth in SWBT Tariff F.C.C. No. 73, Section 19.4 unless:

(1) Customer selects an applicable Optional Renewal Period Plan described in Section 19.3.9; or

(2) Disconnects the Subject Services.

(B) General

(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 in the SWBT Tariff F.C.C. No. 73, as applicable.

(2) All Terms and Conditions for the Subject Services provided under this Contract Offer 159 shall continue to be governed by the otherwise applicable tariff sections, except as noted herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer 159 with any other contract offer, promotional offering, or other discount plan (e.g. MVP).

(4) Customer must renew one (1) existing Self-Healing Transport Network (STN) Volume Option 6 Service pursuant to this Contract Offer, as configured and described in Section 41.159.5, at the discounted rates found in Section 41.159.5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(1) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a signed LOS for Contract Offer 159. Within thirty (30) days of submitting a signed LOS, the Customer must submit its access order for the renewal of the existing Subject Service pursuant to this Contract Offer.

(2) Commingling shall be defined as provided in Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

(3) If the Customer discontinues service under this Contract Offer during the Term Period, termination liability shall apply in accordance with Section 41.159.8.

(4) The Telephone Company shall issue a one-time bill credit in an amount up to $11,000.00 to be provided to the Customer within sixty (60) days of the commencement of the billing for the Subject Service.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(9) If the Customer requests additional service features and functions not included in Section 41.159.5, the Customer will pay the tariff rates for the additional services, as contained in the Tariff Section 39, Metropolitan Statistical Area Access Services, except as noted in Section 41.159.5(A).

(10) 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 offerings 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 conditions are met:

(a) The Customer must meet all eligibility requirements outlined in Section 41.159.3, and Terms and Conditions outlined in Section 41.159.4; and

(b) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option.

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.5 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The following Monthly Recurring Charges (MRCs) shall apply to the rate elements for the Subject Services provided under this Contract Offer, as described in Table A below:

Table A

Rate Elements	USOC	Qty	Unit Rate	MRC
Vol. Opt 6 – Basic Configuration – 36 Mo.	SHKBX	1	$7,609.29	$7,609.29
Additional Premise Access Node	SHKPX	1	$2,479.43	$2,479.43
Add'l DTL Added to Basic Config, per same order	SH3BX	1	$1,111.47	$1,111.47
OC-3c SONET-based Interface, per Access Node, per Interface	SBW3D	2	$ 324.89	$ 649.78
Transport Mileage	1T5QS	31	$ 106.87	$3,312.97
Total MRC				**$15,162.94**

(B) Non-Recurring Charges (NRCs)

Applicable NRCs shall apply as described in the SWBT Tariff F.C.C. No. 73, Section 19.

Any rate elements not described herein will be subject to the applicable rates and charges outlined in MSA Sections 39, Section 39.5.2.11.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 in determining the credit worthiness of the assignee or transferee based on any information available.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.159 Contract Offer No. 159 – Self-Healing Transport Network (STN) Volume Option 6 Service Offer (Cont'd)

41.159.7 Mergers/Acquisitions

All provisions 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.

41.159.8 Termination Liability

During the Term Period of the Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in SWBT Tariff F.C.C. No. 73, Section 19.3.15. Termination charges shall become due as of the effective date of the termination.

(A) If the Customer terminates this Contract Offer, in whole or in part, or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge, as applicable, which shall be equal to fifty (50) percent of all recurring charges for the balance of the thirty-six (36) month Term Period, and will be calculated as follows:

(MRC) multiplied by (Months remaining in Term Period) multiplied by (termination liability percentage of 50%) = termination liability charge

Example: A Customer with a $15,162.94 MRC terminates service after twenty-four (24) months, and has twelve (12) months remaining in the thirty-six (36) month Term Period. The termination liability would be calculated as:

($15,162.94 X 12) X 50% = $90,977.64 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.160 Contract Offer No. 160 – Access Service Offer

41.160.1 General Description

The Access Service Offer (Contract Offer No. 160) is an access discount plan for which concurrent subscription is required to the following Access Tariffs: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 19; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 146; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 41; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 160 (collectively, the "Concurrently Subscribed Contract Offers"). NBTC, PBTC, SNET and SWBT shall be identified herein as the "Qualified Companies." (Nx)

Contract Offer No. 160 requires eligible Customers to maintain a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.160.5, for each Term Year of the Term Period. Contract Offer No. 160 is available to any Customer who commits to a MARC of $385 million, in the aggregate, under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers. The MARC consists of recurring revenues from, in the aggregate, all MARC-eligible Services purchased from Southwestern Bell Telephone Company ("SWBT" or "Telephone Company") which are eligible for inclusion in the MARC under this Contract Offer No. 160, and the MARC-eligible services as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers described in Section 41.160.3(D).

MARC-eligible Services provided by the Telephone Company shall include Subject Services, as described in Section 41.160.2(A), and Non-Subject Services, as described in Section 41.160.2(B). Non-Subject Services are not eligible for the discounts and other incentives provided under this Contract Offer No. 160.

Contract Offer No. 160 will be available for subscription only from December 11, 2008 through January 11, 2009. This offer is not renewable.

(x) Issued under Authority of Special Permission No. 08-025 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.2 MARC-eligible Services

The MARC shall include recurring revenue from, in the aggregate, all MARC-eligible Services purchased from the Telephone Company under this Contract Offer No. 160, and the recurring revenue from MARC-eligible services as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers. MARC-eligible Services include both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below.

(A) Subject Services

Subject Services are listed in Table A, below. Subject Services are eligible for discounts and other incentives provided under this Contract Offer No. 160.

Table A – Subject Services

Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, BCS, STN, Relianet
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring Charges associated with the products listed, where applicable, for all services located in Pricing Flexibility Metropolitan Statistical Areas (MSAs).	

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.2 MARC-eligible Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services are listed in Table B, below. Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer No. 160.

Table B – Non-Subject Services

Non-Subject Services	
Interstate Special Access	OCN PTP, DSRS, MON, GigaMAN, DecaMAN®, WaveMAN℠, Opt-E-MAN[1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Intrastate Switched Access	Equivalent services as Interstate Switched Access above if available.
Includes all Recurring Charges associated with the products listed, where applicable, for all non-pricing flexibility qualified services.	

If additional services are made available under SWBT Tariff F.C.C. No. 73 which were not available as of the effective date of this Contract Offer No. 160, any billed, recurring revenues for such additional services will be included in this Contract Offer No. 160 for the purpose of performing calculations to determine the achievement of the MARC pursuant to this Contract Offer No. 160.

All terms and conditions for the MARC-eligible Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 160.

[1]OCN PTP, DSRS, MON, GigaMAN, DecaMAN®, WaveMAN℠, and Opt-E-MAN 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 160:

(A) Contract Offer No. 160 is available for qualified access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39. During the Term Period of this Contract Offer No. 160, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 160.

(B) The MARC-eligible Services must be located within the "Operating Territory" of the Telephone Company, as described in SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory).

(C) The Customer must have billed, recurring revenues sufficient to establish a MARC of $385 million for, in the aggregate, MARC-eligible Services, as defined in Section 41.160.2, and MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers described in Section 41.160.3(D).

(D) Concurrently Subscribed Contract Offers - The Customer must concurrently subscribe to the following Contract Offers:

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 19; (Nx)
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 146;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 160; and
- SNET Tariff F.C.C. No. 39, Contract Offer No. 41. (Nx)

(x) Issued under Authority of Special Permission No. 08-025 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 160:

(A) Subscription

To subscribe to Contract Offer No. 160, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 160 (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred or converted for inclusion under this Contract Offer No. 160, except as described in Section 41.160.4 (O), below.

(B) Term Period

The term of this Contract Offer No. 160 (Term Period) shall be twenty-four (24) months, beginning on the date the Letter of Subscription (LOS) is signed by the last of the Customer and the Telephone Company (Effective Date), subject to extensions as provided in this Section, below. Each twelve (12) month period, beginning on the Effective Date, shall be a Term Year.

The Term Period will automatically be extended by two (2) consecutive one-year extension periods unless the Customer elects to terminate this Contract Offer No. 160, by providing to the Telephone Company written notice of termination of this Contract Offer No. 160, in accordance with the Terms and Conditions of this Contract Offer No. 160, at least sixty (60) days prior to the expiration of the initial twenty-four (24) months of the Term Period, or with respect to the second extension, at least sixty (60) days prior to the expiration of the first extension period. If the Customer fails to provide such notice, the Term Period shall continue until the expiration of the first extension period or the expiration of the second extension period, as applicable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(C) The Customer must establish a $385 million MARC for, in the aggregate, MARC-eligible Services, as defined in Section 41.160.2, and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers as described in Section 41.160.3(D).

(D) The Customer agrees to a MARC of $385 million during each Term Year of this Contract Offer No. 160, subject to Section 41.160.4(L), below. Revenues eligible to be included in the MARC shall be billed recurring charges for, in the aggregate, all MARC-eligible Services, as listed in Section 41.160.2 of this Contract Offer No. 160, and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, as described in Section 41.160.3(D). The Customer's revenues, for purposes of determining the achievement of the MARC, shall specifically exclude non-recurring charges, usage based charges and temporary service charges.

(E) The Telephone Company will review revenues for MARC-eligible Services and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, within sixty (60) days after the end of each quarter (each three consecutive months beginning with the first, fourth, seventh or tenth month of a Term Year) during the Term Period (Quarterly True-Up Process), as further provided in Section 41.160.6(F), below.

(F) Credits earned by the Customer under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.160.6(A), below, and in the analogous section of the other Concurrently Subscribed Contract Offers.

(G) Contract Offer No. 160 Credits are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's tariffs, except that billed, recurring revenues, which are discounted under this Contract Offer No. 160, are not eligible to be included in the Managed Value Plan (MVP) offered in SWBT Tariff F.C.C. No. 73, Section 38, nor are billed, recurring revenues under MVP eligible for discounts under this Contract Offer No. 160.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(H) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. No. 73 (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. 160.

(I) Purchase of Long Distance Voice Services:

During the Term Period of this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers, the Customer must commit to purchase an average of $90 million in recurring billed revenues for each completed Term Year in a single long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet[2] measured from the Effective Date of this Contract Offer No. 160 to the end of each Term Year.

If the Customer fails to commit to purchase at least the minimum required quantity of long distance voice services, or its commitment expires or is terminated for reasons other than an uncured material breach by the Telephone Company affiliate, then effective beginning on the first day on which there is no such long distance voice commitment and continuing through the end of the Term Period, including any extensions of the Term Period under Section 41.160.4(B), above:

(a) the Telephone Company shall terminate the Concurrently Subscribed Contract Offers other than this Contract Offer No. 160 without charging termination liability pursuant to this or the other Contract Offers;

(b) the Customer's new MARC pursuant to this Contract Offer No. 160 shall be reduced to $205 million for the remainder of the Term Period and for any applicable extension periods; and

[2]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 www.new.serviceguide.att.com.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(I) Purchase of Long Distance Voice Services: (Cont'd)

(c) the Customer shall be eligible for new Above-the-MARC credits of thirty (30) percent on revenue up to $10.5 million above the MARC for each Term Year and for any applicable extension periods.

(J) This Contract Offer No. 160 is available December 11, 2008 through January 11, 2009.

(K) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Section 2.7) of Subject Services provided pursuant to this Contract Offer No. 160 is prohibited.

(L) Additional ACNAs and Service Transfers

(1) Services provided to the Customer under ACNAs other than those designated by the Customer, as provided in Section 41.160.4(A) (Eligible ACNAs), may be included in this Contract Offer No. 160, and Customer may transfer any service from such additional ACNAs to Eligible ACNAs, upon 30-day written notice by the Customer, provided that any services so included or transferred qualify as MARC-eligible Services, as defined in Section 41.160.2 of this Contract Offer No. 160.

(2) If services provided to the Customer under ACNAs other than Eligible ACNAs (Other ACNAs) are included in this Contract Offer No. 160, or if services are transferred from Other ACNAs to Eligible ACNAs, the MARC shall be increased to reflect such inclusion or transfer. The amount by which the MARC is increased shall be equal to the billed monthly recurring charges applicable to the services included in or transferred to this Contract Offer No. 160 (Revenue Transferred In) 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. Notwithstanding the foregoing, for purposes of determining Monthly MARC Credit and Above MARC Credit, the amount by which the MARC is increased shall be equal to the billed monthly recurring charges for the services included in or transferred to this Contract Offer No. 160 times twelve (12) for all Term Years.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(L) Additional ACNAs and Service Transfers (Cont'd)

(3) If any services included in or transferred to this Contract Offer No. 160 under Sections 41.160.4(L)(1) and 41.160.4(L)(2) were, immediately prior to such inclusion or transfer, being purchased under a High Capacity Term Pricing Plan (HC-TPP), as provided in the SWBT Tariff F.C.C. No. 73, such services may be converted to any applicable month-to-month rate, term pricing plan or other discount or credit plan in an SWBT Tariff F.C.C. No. 73, effective at the time of such inclusion or transfer. If, as a result of such conversion, termination liability charges apply to the included or transferred services according to the terms and conditions of the SWBT Tariff F.C.C. No. 73, the Telephone Company shall issue credits to the Customer in an amount equal to the applicable termination liability charges. Such credits shall be applied to the Customer's billing for Subject Services under this Contract Offer No. 160.

(4) At the time any additional services are included in this Contract Offer No. 160 or transferred from Other ACNAs to Eligible ACNAs, the Customer shall be permitted to upgrade such services or to subscribe such services to any applicable term payment plan or other discount pricing or credit plan available in the SWBT Tariff F.C.C. No. 73, if such upgrade or subscription is permitted by the applicable tariff provisions.

(5) Revenue Transferred In shall be determined according to the monthly recurring charges applicable to the included or transferred services after taking into account the implementation of any upgrade or subscription to any term payment plan or other discount pricing or credit plan under Section 41.160.4(L)(4), above.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(L) Additional ACNAs and Service Transfers (Cont'd)

(6) Removal or Transfer Out

If services provided to the Customer under Eligible ACNAs are removed from this Contract Offer No. 160, or if services are transferred from Eligible ACNAs to Other ACNAs, the MARC shall be decreased to reflect such removal or transfer. The amount by which the MARC is decreased shall be equal to the billed monthly recurring charges for the services removed from or transferred out of this Contract Offer No. 160 (Revenue Transferred Out) times either (a) the number of months remaining in the current Term Year, for purposes of determining the MARC for the current Term Year, or (b) twelve (12), for purposes of determining the MARC for each Term Year thereafter. Notwithstanding the foregoing, for purposes of determining Monthly MARC Credit and Above MARC Credit, the amount by which the MARC is decreased shall be equal to the billed monthly recurring charges for the services included in or transferred to this Contract Offer No. 160 times twelve (12) for all Term Years. This Section 41.160.4(L)(6) applies only to Subject Services that were previously transferred to or included in this Contract Offer No. 160 under Sections 41.160.4(L)(1) and 41.160.4(L)(2).

(7) Revenue Transferred Out shall be determined according to the monthly recurring charges applicable to the removed or transferred services during the month prior to such removal or transfer.

(8) The Customer may not include, remove and/or transfer services pursuant to Sections 41.160.4(L)(1), 41.160.4(L)(2) and/or 41.160.4(L)(6) of this Contract Offer No. 160 more frequently than once every six (6) months.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.4 Terms and Conditions (Cont'd)

(M) If the Customer previously subscribed to SWBT Tariff F.C.C. No. 73, Section 41.103, Contract Offer No. 103 – Access Service Offer, then:

(1) Upon the Effective Date of this Contract Offer No. 160, as defined in Section 41.160.4(B), the Customer's and the Telephone Company's respective obligations under Contract Offer No. 103 shall be considered null and void with the exception of those accrued rights and obligations which, by their nature, survive the termination of Contract Offer No. 103.

(2) Upon the Effective Date of this Contract Offer No. 160, as defined in Section 41.160.4(B), the Telephone Company shall waive any termination liability charges and the notice requirements that would otherwise apply pursuant to Section 41.103.8 of Contract Offer No. 103. The foregoing does not apply to, or otherwise affect, the termination liability provisions of any other tariff.

(3) The Parties shall cooperate in good faith to coordinate the transition from Contract Offer No. 103 to this Contract Offer No. 160, in a manner that is operationally and commercially reasonable, preserves the rights and obligations of both parties (including the application of billing and credits pursuant to Contract Offer No. 103), and harmonizes the provisions of Contract Offer No. 103 and this Contract Offer No. 160. Included among the foregoing (but not by way of limitation) shall be pro-rating Contract Offer No. 103's MARC and discounts to the Effective Date of this Contract Offer No. 160, and a true-up based upon that pro-rating.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

The Customer must establish a $385 million MARC for, in the aggregate, (i) MARC-eligible Services purchased from the Telephone Company, as defined in Section 41.160.2, and (ii) MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, as described in Section 41.160.3(D). Except as otherwise provided in this Contract Offer No. 160, the Customer must comply with the $385 million MARC during each Term Year of this Contract Offer No. 160.

(B) MARC Achievement Calculations

Achievement of the MARC shall be determined according to the recurring revenue attributable to (i) MARC-eligible Services (defined in Section 41.160.2), as billed by the Telephone Company, plus any applicable True-up Amounts, as provided in Section 41.160.6(F); and (ii) MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, plus any applicable True-up Amounts provided for therein. Recurring revenue from MARC-eligible Services shall include MARC-eligible Services purchased by the Customer, both as of the Effective Date and subsequently during the Term Period. To be included in the MARC Achievement Calculations, all recurring revenue must be billed under the MARC-eligible ACNAs, as defined in Sections 41.160.4(A) and 41.160.4(L).

(C) Failure to Achieve the MARC

If the Customer fails to achieve the MARC as determined in the Quarterly True-up Process, the Telephone Company shall apply a True-up Amount to the Customer's bills for Subject Services, as provided in Section 41.160.6(F).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits

(A) Monthly Credits

For each month of the Term Period, the Customer may be eligible for the following types of credits under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers (collectively "Monthly Credits"), as further provided below:

Monthly MARC Credit;
Above MARC Credit; and
Non-Recurring Charges (NRCs) Credit.

The aggregate amounts of Monthly MARC Credits and Above MARC Credits under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers shall be as provided in Table C. The Monthly Credits shall be divided among this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services in each of the other Concurrently Subscribed Contract Offers. The Telephone Company will post Monthly Credits, if applicable, so attributed to this Contract Offer No. 160 to the Customer's invoices for Subject Services, beginning with the first full month following the Effective Date. The Telephone Company shall post Credits sixty (60) days in arrears. Credits shall not be posted if the Customer is in material breach of this Contract Offer No. 160, 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 (shown as % of Monthly MARC)	Above MARC Credit
Year 1	10.0%	16.0%
Year 2	10.5%	16.0%
Extension Year 1	11.0%	16.0%
Extension Year 2	12.0%	16.0%

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(B) Monthly MARC Credit

The Telephone Company shall post the portion of a Monthly MARC Credit so attributed to this Contract Offer No. 160 to the Customer's monthly invoices for Subject Services, for each month in which the Customer's aggregate revenue for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, meets or exceeds one-twelfth of the MARC (Monthly MARC). The Monthly MARC Credit, in the aggregate, shall be equal to the percentage set forth in Table C for the applicable Term Year times the Monthly MARC, and then proportionately applied among this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers, as described in Section 41.160.6(A).

(C) Above MARC Credit

The Telephone Company shall post the portion of an Above MARC Credit so attributed to this Contract Offer No. 160 to the Customer's monthly invoices for Subject Services, for each month in which the Customer's aggregate revenue for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, exceeds the Monthly MARC. The Above MARC Credit, in the aggregate, shall be equal to the percentage set forth in Table C for the applicable Term Year times the amount, if any, by which the Customer's recurring aggregate revenues for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, exceed the Monthly MARC, and then proportionately applied among this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers, as described in Section 41.160.6(A).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(D) Above MARC Credit Review

Upon completion of each Term Year, the Telephone Company shall review the Customer's total recurring revenues for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, and total Above MARC Credits applied during that Term Year under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers, and shall issue credits or debits as necessary for the purpose of adjusting the total Above MARC Credits issued for the Term Year to the amount that would have been issued had Above MARC Credits been issued in a lump sum for the entire Term Year. Such adjustments shall be performed as follows: (i) if the total Above MARC Credits issued during the Term Year are less than the product of the total recurring revenue for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, during the Term Year (not including any applicable True-up Amount or True-up Refund, as provided in Section 41.160.6(F), below) times the applicable percentage listed in Table C (Earned MARC Credits), the Qualified Companies shall issue additional Above MARC Credits which, in the aggregate, equal to the difference between the Earned MARC Credits and the total Above MARC Credits previously issued for that Term Year; and (ii) if the total Above MARC Credits issued for that Term Year are greater than the Earned MARC Credits, the Qualified Companies shall issue a debit(s) to the Customer which, in the aggregate, equals the amount of the difference.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(E) Non-Recurring Charges (NRCs) Waiver or Credit

The Telephone Company shall waive all non-recurring charges (NRCs) associated with the initial installation of Subject Services for which the Application Date (App Date) of the applicable Access Service Request (ASR) is during the Term Period. In addition, the Telephone Company shall issue credits to the Customer in the amount of all NRCs associated with the initial installation of Non-Subject Services for which the App Date of the applicable ASR is during the Term Period. Relevant NRCs for Non-Subject Services shall initially be billed as incurred. The Telephone Company will issue credits to the Customer in arrears, on a quarterly basis, in the amount equal to the total of such NRCs charged to the Customer during the relevant quarter. Waiver of, and credits for, NRCs are subject to the following conditions:

(1) To be eligible for waiver or credits, each relevant ASR must relate to a service ordered subject to a Term Pricing Plan (TPP) of three (3) years or longer;

(2) Any Subject Service for which NRCs are waived or credited must remain in service for the duration of the applicable TPP, and the Customer must comply with all terms and conditions of the applicable TPP. Previously waived or credited NRCs, if any, shall be retroactively billed to the Customer if Subject Services are terminated prior to completion of the applicable TPP during the Term Period, or if the Customer fails to comply with the terms and conditions of the applicable TPP during the Term Period; and

(3) NRCs associated with expedited orders, special construction, additional labor charges, subsequent changes and moves shall not be eligible for waiver.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process

(1) The Qualified Companies shall perform true-up calculations following each quarter of each Term Year of this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers (Quarterly True-up Process). To perform such calculations, the Qualified Companies shall determine the Customer's total recurring revenue for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, for the completed quarters of the Term Year (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 one-fourth of the MARC times the number of quarters included in each Quarterly True-up Process (the Year-to-Date MARC). The first quarter of the first Term Year of this Contract Offer No. 160 will begin on the first day of the first full month of the Term Period. Subsequent quarters will begin every three months thereafter, for the remainder of the Term Period.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

(2) If, based on the Quarterly True-up Process, the Year-to-Date Revenue is greater than or equal to the Year-to-Date MARC, the Qualified Companies will issue, in the aggregate: (i) a Monthly MARC Credit(s) for any month during the most recent quarter for which a Monthly MARC Credit was not previously issued, and (ii) an Above MARC Credit(s) for any portion of the difference between the Year-to-Date Revenue and the Year-to-Date MARC for which no Above MARC Credit was previously issued. Credits to be issued as a result of the Quarterly True-up Process shall be subject to any applicable True-up Amount, as provided in Section 41.160.6(F)(4), below. 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 issue a debit(s) to the Customer equal to the difference between Year-to-Date Revenue and the Year-to-Date MARC (True-up Amount). The True-up Amount shall be subtracted from the amount of any Credits for which the Customer qualifies as a result of the Monthly True-up Process. If the True-up Amount is less than the amount of such Credits, the Qualified Companies will issue a credit which will, in the aggregate, equal the amount of the difference to the Customer. If the True-up Amount is greater than the amount of such Credits, the Qualified Companies will issue a debit(s) which will, in the aggregate, equal the amount of the difference to the Customer. True-up Amounts will subsequently be included as recurring revenue for MARC-eligible Services under this Contract Offer No. 160 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, for purposes of performing MARC Achievement Calculations and the Quarterly True-up Process.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

(3) If, upon the fourth Quarterly True-up Process of any Term Year, the Customer's Year-to-Date Revenue (including True-up Amounts) exceeds the MARC, and the Customer has been subject to True-up Amounts during that Term Year, the Qualified Companies will issue a credit(s) to the Customer which, in the aggregate, equals the amount by which Year-to-Date Revenue exceeds the MARC (True-up Refund), provided, however, that the True-up Refund may not exceed the total True-up Amounts to which the Customer was subject during that Term Year.

(4) The Qualified Companies will apply any credits or debits resulting from the Monthly True-up Process to the Customer's invoices for Subject Services under this Contract Offer No. 160 and the subject services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, beginning with the first quarter following the Effective Date. Such credits shall be applied sixty (60) days in arrears, following the end of each quarter. Credits shall not be issued if the Customer is in material breach of this Contract Offer No. 160, 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of First Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue for the First Quarter is $95 million. Assume the Customer received Monthly MARC Credits under this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers for two (2) months during the First Quarter of the Term Year. In this example, the Customer would be subject to a True-up Amount of $1.25 million. The Qualified Companies would issue a net credit(s), in the aggregate, equal to $1,958,333 to the Customer (one month's Monthly MARC Credit, less $1.25 million), as shown in Table D, below.

Table D:

First Quarter Year-to-Date MARC ($385,000,000 ÷ 4)	$96,250,000
Recurring Revenue for MARC-eligible Services and MARC-eligible Services (combined) for the First Quarter of the Term Year	$95,000,000
True-up Amount for the First Quarter	$1,250,000
Monthly MARC Credits Issued During the First Quarter	$6,416,667
Additional Monthly MARC Credit to be Issued as a Result of Quarterly True-up Process	$3,208,333
Above MARC Credit	$0
Net Credits to be Issued	$1,958,333

41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Second Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue for the first two quarters is $191 million. Assume that the Customer was subject to a True-up Amount of $1.25 million for the First Quarter and received Monthly MARC Credits for four (4) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer would be subject to a True-up Amount of $250,000 for the Second Quarter. The Qualified Companies would issue a net credit(s), in the aggregate, equal to $6,166,666 to the Customer (two months' Monthly MARC Credits, less $250,000), as shown in Table E, below.

Table E:

Second Quarter Year-to-Date MARC (($385M ÷ 4) × 2)	$192,500,000
Year-to-Date Revenue for the First and Second Quarters of the Term Year (Not Including Previous First Quarter True-up Amount)	$191,000,000
True-up Amount Applied for First Quarter	$1,250,000
Additional True-up Amount for Second Quarter	$250,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$6,416,666
Above MARC Discount	$0
Net Credits to be Issued	$6,166,666

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Third Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue during the first three (3) quarters is $290 million. Assume that the Customer was subject to True-up Amounts totaling $1.5 million for the First and Second Quarters, and received Monthly MARC Credits for eight (8) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer is not subject to any True-up Amount. The Qualified Companies would issue a credit(s), in the aggregate, equal to $3,408,333 to the Customer ($3,208,333 in Monthly MARC Credits, plus $200,000 in Above MARC Credit), as shown in Table F, below:

Table F:

Third Quarter Year-to-Date MARC (($385M ÷ 4) × 3)	$288,750,000
Year-to-Date Revenue for the First, Second and Third Quarters of the Term Year	$290,000,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$3,208,333
Above MARC Discount	$200,000
Net Credits to be Issued	$3,408,333

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Fourth Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue during the first four (4) quarters is $375 million. Assume that the Customer was subject to True-up Amounts totaling $1.5 million for the First and Second Quarters, and received Monthly MARC Credits for ten (10) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer would be subject to a True-up Amount of $8.7 million (includes the Above the MARC Discount applied in the Third Quarter.) The Customer would owe the Qualified Companies $2,283,334 (two month's Monthly MARC Credit, less $8.7 million), as shown in Table G, below:

Table G:

Fourth Quarter Year-to-Date MARC (($385M ÷ 4) × 4)	$385,000,000
Year-to-Date Revenue for the First, Second, Third and Fourth Quarters of the Term Year (Not Including Previous First and Second Quarters True-up Amount)	$375,000,000
True-up Amount Applied for First and Second Quarters	$1,500,000
Additional True-up Amount for Fourth Quarter	$8,700,000
Above the MARC Discount Applied for Third Quarter	$200,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$6,416,666
Above MARC Discount	$0
Net True-up Amount	$2,283,334

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 - Access Service Offer (Cont'd)

41.160.7 Assignment/Transfer/Successors

Neither party shall assign or otherwise transfer this Contract Offer No. 160 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. 160 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. 160 to an affiliate, or subcontract to an affiliate or a third party, work to be performed under this Contract Offer No. 160. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 160, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 160, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 160 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 160 or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

41.160.8 Mergers/Acquisitions

All provisions of this Contract Offer No. 160 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. 160 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.9 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period (including any applicable extension), the Customer terminates this Contract Offer No. 160 for any reason other than material breach by the Telephone Company or a Rate Reduction as described in Section 41.160.9(B), below, or if the Telephone Company terminates this Contract Offer No. 160 as a result of a material breach by the Customer, the Customer must pay a termination liability charge in the amount of $2,050,000 per month for the remaining months of the Term Period (including any applicable extension). 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 SWBT Tariff F.C.C. No. 73.

(B) Rate Reduction

If, during the Term Period, the Tariff and/or Guidebook MRCs applicable to Subject and Non-Subject Services, as listed in this Section, below, and to the subject and non-subject services as listed in the analogous section of 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 and those subject and non-subject services on the Effective Date, as defined in Section 41.160.4(B) (Initial Rates), either party may terminate this Contract Offer No. 160 and the other Concurrently Subscribed Contract Offers without incurring any termination liability charge that would otherwise be due under this Contract Offer No. 160, upon 60-day advance written notice to the other party. Such option to terminate shall be exercisable to this Contract Offer No. 160 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.9 Termination (Cont'd)

(B) Rate Reduction (Cont'd)

Within sixty (60) days after the Effective Date of this Contract Offer No. 160, 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 as of the Effective Date:

1. DS-1: Channel Terminations ("CT"), Channel Mileage ("CM") fixed and CM per mile;

2. DS-3: CT, CM fixed, CM per mile and Multiplexing (MUX);

3. SONET Dedicated Ring Service: 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) Services: Local Distribution Channel, Interoffice Transport, Collocation Transport, Add/Drop Function, Add/Drop Multiplexing, Protection and Regenerators.

Example: DS-1 Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	TX	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.160 Contract Offer No. 160 – Access Service Offer (Cont'd)

41.160.9 Termination (Cont'd)

(B) Rate Reduction (Cont'd)

During the Term Period, the Customer may request an analysis of the rates applicable to rate elements listed in Section 41.160.9(B) and those rate elements listed in the analogous section 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 41.160.9(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.

Example: Comparison of Initial Rate Analysis and EOY Rate Analysis

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	% Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	1000	$300,000	$200,000	
Total	9600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000))

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer

41.161.1 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 41.161.2. Qualified services are listed in Section 41.161.2 and must meet the Eligibility Criteria described in Section 41.161.2. Contract Offer No. 161 is available for subscription from March 3, 2009 to May 31, 2009. This Contract Offer is not renewable.

41.161.2 Eligibility Criteria

(A) This Contract Offer applies to Megalink Custom Services (DS3), as described in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 20 (Subject Services).

(B) Contract Offer No. 161 applies to Subject Services located in any of the Pricing Flexibility MSAs:

Fayetteville-Springdale, AR; Fort Smith, AR; Little Rock, AR; Memphis, AR; Kansas City, KS; Non-MSA, KS; Topeka, KS; Wichita, KS; Joplin, MO; Kansas City, MO; Springfield, MO; St. Joseph, MO; St. Louis, MO; Lawton, OK; Oklahoma City, OK; Tulsa, OK; Abilene, TX; Amarillo, TX; Austin-San Marcos, TX; Beaumont, TX; Brownsville-Harlingen, TX; Corpus Christi, TX; Dallas-Ft. Worth, TX; El Paso, TX; Houston, TX; Longview-Marshall, TX; Lubbock, TX; McAllen-Edinburg, TX; Midland, TX; San Antonio, TX; Tyler, TX; Waco, TX; and Wichita Falls, TX.

(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.

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41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.2 Eligibility Criteria (Cont'd)

(E) Subject Services must originate from a Dedicated SONET Ring Service (DSRS) Ring, or 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 DS3 LDC Service Channel at an End User location.

(F) This Contract Offer does not apply to DSRS DS3 ports or DS3 services terminated to collocation.[1]

41.161.3 Terms and Conditions

(A) The Customer shall purchase each Subject Service under a Term Pricing Plan (TPP) (as provided in SWBT Tariff F.C.C. No. 73, Sections 20 and 39) with a term commitment of twelve (12), thirty-six (36), or sixty (60) months (Service Term), to be selected by the Customer. The Service Term for each Subject Service shall begin on the date billing begins for that 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 20 and 39, unless the Customer:

(1) Selects from the TPP options listed in Sections 20 and 39; or

(2) Disconnects the Subject Service(s).

[1] 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.

ACCESS SERVICE

41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.3 Terms and Conditions (Cont'd)

(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.

(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. 161 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 41.161.7.

(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

41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.3 Terms and Conditions (Cont'd)

(A) General Terms and Conditions (Cont'd)

(6) Commingling shall be defined as provided in Section 2.7. 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 41.161.4, the Customer will pay the tariff rates as contained in Sections 20 and 39, as applicable.

41.161.4 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 20 and 39.

Generally applicable Non-Recurring Charges (NRCs) shall apply.

DS3 IOF Transport Bundle USOCs

Elements	USOCs	1 Year Term	3 Year Term	5 Year Term
DS3 IOF Channel Mileage (Fixed and Per Mile) with 1 - 15 IOF miles	1J5HS, 10XHX	$650	$450	$350
DS3 IOF Channel Mileage (Fixed and Per Mile) with 16 - 25 IOF miles	1J5HS, 1OXHX	$800	$600	$500

ACCESS SERVICE

41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.5 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 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.

41.161.6 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.

ACCESS SERVICE

41.Pricing Flexibility Contract Offerings (Cont'd)

41.161 Contract Offer No. 161 – DS3 IOF Transport Bundle Service Offer (Cont'd)

41.161.7 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 20 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 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 20. 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 twelve (12) months remaining in a thirty-six (36) month term plan. The termination liability would be calculated as:

$600 X 12 X 50% = $3,600 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.162 Contract Offer No. 162 – Access Service Offer

41.162.1 General Description

The Special Access Service Offer (Contract Offer No. 162) is a plan for which concurrent subscription is required to this Contract Offer and the following additional contract offers: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 21; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 149; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 43; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 185; and BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 62 (the "Concurrently Subscribed Contract Offers"). NBTC, PBTC, SNET, SWBT, Ameritech, and BellSouth are identified herein as the "Qualified Companies." (Nx)

Contract Offer No. 162 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 41.162.2 of this Contract Offer) and from MARC-eligible services provided under the other Concurrently Subscribed Contract Offers.

Contract Offer No. 162 will be available for subscription only from March 25, 2009 through April 25, 2009. This Contract Offer is not renewable.

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.2 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) Subject Services

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.

Table A – Subject Services

Service Type	Service
Interstate Special Access	Voice Grade
	DS0
	DS1
	DS3
	Switched Access Transport (excluding such service provided by BellSouth Telecommunications, Inc.)
	SONET Xpress
	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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.2 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 and 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
Interstate Special Access	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)
	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	Equivalent services provided as Interstate Special Access above, subject to the terms and conditions of this Agreement.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.3 Eligibility Criteria

The Customer must satisfy the following Eligibility Criteria to qualify for this Contract Offer:

(A) Contract Offer No. 162 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 SWBT Tariff F.C.C. No. 73, Section 39. During the Term Period (as defined in Section 41.162.4(B)), if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 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 SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory);

(C) The Customer must concurrently subscribe to this Contract Offer and the following additional contract offers:
- NBTC Tariff F.C.C. No. 1, Contract Offer No. 21; (Nx)
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 149;
- SNET Tariff F.C.C. No. 39, Contract Offer No. 43;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 185; and
- BellSouth Tariff F.C.C No. 1, Contract Offer No. 62. (Nx)

41.162.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 162:

(A) Subscription
To subscribe to Contract Offer No. 162, 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.

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.4 Terms and Conditions (Cont'd)

(B) Term Period

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 41.162.9. 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 41.162.2 of this Contract Offer, and MARC-eligible services, as defined in the other Concurrently Subscribed Contract Offers listed in Section 41.162.3(D). The MARC shall apply during each Term Year of this Contract Offer.

(D) Credits earned by the Customer under this Contract Offer No. 162 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.162.6(A), below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(E) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (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. 162.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.4 Terms and Conditions (Cont'd)

(F) This Contract Offer No. 162 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 (Nx)
Tariff FCC 2 Section 19, SWBT Tariff FCC 73 Section 38, and PBTC Tariff FCC 1 Section 22; 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 (Nx)
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 41.162.9, 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.

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.5 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 41.162.2), 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 41.162.6(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").

41.162.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.6 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.6 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.

41.162.7 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.162 Contract Offer No. 162 – Access Service Offer (Cont'd)

41.162.8 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.

41.162.9 Termination

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.163 Contract Offer No. 163 – Access Service Offer

41.163.1 General Description

The Access Service Offer (Contract Offer No. 163) 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." (Nx)

Contract Offer No. 163 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.163.5. The MARC will consist of recurring revenues from, in the aggregate, all Subject Services purchased from Southwestern Bell Telephone Company ("SWBT" or "Telephone Company") and all "Subject Services" as defined in the other Concurrently Subscribed Contract Offers described in Section 41.163.3(B).

Subject Services provided by the Telephone Company are described in Section 41.163.2.

This Contract Offer No. 163 is available for subscription only from July 8, 2009 through August 8, 2009. This offer is not renewable.

(x) Issued under Authority of Special Permission No. 09-022 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.2 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 Sections 39.5.2.7 or 39.5.2.12, as applicable.

Table A – Subject Services

Subject Services	
Interstate Special Access	DS1 & DS3
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. 163.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 163:

(A) All Subject Services must be located in the MSAs for which the Telephone Company has been granted pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 at the time of subscription, the Customer may, at its option, include Subject Services provided in such additional MSAs in this Contract Offer No. 163, as described in 41.163.2(A), herein.

(B) The Customer must concurrently subscribe to, and purchase service under, each of the following Contract Offers: (Nx)

- 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. (Nx)

(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.[1]

(x) Issued under Authority of Special Permission No. 09-022 of F.C.C.

[1] GigaMAN, DecaMAN,® WaveMAN,℠ and Opt-E-MAN 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/.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.3 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 SWBT Tariff F.C.C. No. 73, Section 7.2.22, or is purchasing intrastate 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 163:

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.4 Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer No. 163 (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 (i.e., 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 Sections 39.5.2.7 or 39.5.2.12, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.4 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 SWBT Tariff F.C.C. No. 73 (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. 163.

(F) Commingling is defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided pursuant to this Contract Offer No. 163 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.4 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.

41.163.5 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 44.163.2 of this Contract Offer No. 163, and all Subject Services as provided in the other Concurrently Subscribed Contract Offers identified in 44.163.3(B) (MARC Revenue). MARC Revenue shall also include any Termination Liability Charges paid, but not credited quarterly pursuant to Section 41.163.4 (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 41.163.5(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 44.163.4.

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.6 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 Sections 39.5.2.7 or 39.5.2.12, 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 Sections 39.5.2.7 or 39.5.2.12, 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).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.6 Discounts and Other Credits (Cont'd)

(A) Monthly Recurring Charges (MRCs) – New Subject Services (Cont'd)

Table D

DS1	All States - All Zones	
Description	USOC	Rate
Channel Termination - Per Point of Termination	TMECS	$110.20
Channel Mileage-Fixed	1L5XX	$40.38
Channel Mileage-Per Mile	1L5XX	$12.35
Central Office Multiplexing DS1 to DS0 voice/digital	MQ1	$166.25
DS3	All States- All Zones	
Description	USOC	Rate
Channel Termination	TZUPX	$1,080.00
Interoffice Mileage-Fixed - per DS3 or DS3 equivalent	10XHX/10XLX	$472.50
Interoffice Mileage - Per Mile	1J5HS/1HXLS	$61.20
DS3 to DS1 Multiplexing	MKM	$495.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.6 Discounts and Other Credits (Cont'd)

(B) Non Recurring Charges (NRCs)

NRCs will apply to New Subject Services, as provided in Sections 39.5.27 and 39.5.12, except as provided in Table E, below.

Table E

Rate element – DS1 New Subject Services ONLY	USOC	NRC Charge
Rearrangement/Move Fee	NRBE+	$150.00

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.6 Discounts and Other Credits (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.

41.163.7 Assignment/Transfer/Successors

Neither party shall assign or otherwise transfer this Contract Offer No. 163, 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. 163 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. 163 to an affiliate, or subcontract to an affiliate or a third party work to be performed under this Contract Offer No. 163. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 163, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 163, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 163 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 163, or the rights or obligations hereunder, or any attempt to do either in violation of this provision, shall be void.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.8 Mergers/Acquisitions

All provisions of this Contract Offer No. 163 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. 163 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.

41.163.9 Termination

Termination liability, as described below, applies in lieu of termination liability as described in SWBT Tariff F.C.C. No. 73. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.163 Contract Offer No. 163 – Access Service Offer (Cont'd)

41.163.9 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 X 6 X 50% = $3,607.50 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer

41.164.1 General Description

Contract Offer No. 41.164--Special Access Bundle Service Offer (Contract Offer No. 164)--is an access discount pricing plan. This Contract Offer permits Customers that meet the Eligibility Criteria in Section 41.164.3 and the Terms and Conditions in Section 41.164.4 to purchase the Subject Services listed in Section 41.164.2 and to receive credits as provided in Section 41.164.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Area (MSA) listed in Section 41.164.2(B).

This Contract Offer is available for subscription from August 25, 2009 through September 25, 2009. This Contract Offer is not renewable.

41.164.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, 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 (from a cell site to a Serving Wire Center), and (iv) multiplexing.

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	MQ1

(B) Subject Services must be located in one of the following MSAs: St. Louis, MO; Kansas City, MO; Dallas/Fort Worth, TX.

(C) Subject Services must originate or terminate on a wireless carrier's network.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

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
Kansas City, MO	238	300
St. Louis, MO	230	300
Dallas/Fort Worth, TX	90	125

(A) 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
Kansas City, MO	350	800
St. Louis, MO	350	800
Fort Worth, TX	120	175

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.4 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 SWBT Tariff F.C.C. No. 73, Section 7, 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 SWBT Tariff F.C.C. No. 73, Section 7.

(B) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, Sections 2, 5, 7 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 SWBT Tariff F.C.C. No. 73, Section 2, 5, 7 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(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.

(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. 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

Table D

MSA	**Number of Qualified Cell Sites**
Kansas City, MO	243
St. Louis, MO	235
Fort Worth, TX	92

(7) The Customer may reduce the number of Qualified Cell Sites at which it purchases Subject Services to the extent permitted under Section 41.164.5(A)(2), below.

(8) All Subject Services must be ordered under the Term Payment Plan (TPP), as described in Section 7.2.2 of SWBT Tariff F.C.C. No. 73, under a seven (7) year 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 2, 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 41.164.5 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(10) Termination liability charges shall not apply to the conversion to this Contract Offer of any service previously provided pursuant to SWBT Tariff F.C.C. No. 73.

41.164.5 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 41.164.5(A)(2) and 41.164.5(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.5 Rates and Charges (Cont'd)

(A) (Cont'd)

(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 7 of SWBT Tariff F.C.C. No. 73, as applicable to a seven (7) year term commitment. 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 41.164.5(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.

(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 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 39, as applicable to a 7-year term commitment plan.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.5 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 Ethernet[1]-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[1] Service). Following the replacement of Subject Services with Qualified Ethernet[1] 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 41.164.5(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 41.164.5(A)(3)(i), below. All other NRCs are waived.

[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. 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.5 Rates and Charges (Cont'd)

(A) (3) (Cont'd)

(a) The Telephone Company shall establish on behalf of the Customer a credit pool in the amount of One Hundred Seventy-four Thousand Dollars ($174,000) 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.

TABLE E:

Rate Element		SWBT Tariff F.C.C. No. 73 Section
Initial Service Order Charge		5
Service Date Advancement Charge – per order		5
Service Date Advancement – SPA DS1 Services – Per Circuit		5
Service Date Advancement – Missed Appointment SPA DS1 Services – Per Circuit		5
Service Date Change Charge – per Order		5
Additional Dispatch Charge		5
Design Change Charge – per Order		5
Charges for Additional Engineering – each additional hour or fraction thereof – Basic time		13
Charges for Additional Engineering – each additional hour or fraction thereof – Overtime outside of basic hours		13

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.5 Rates and Charges (Cont'd)

(A)(3)(a) (Cont'd)

TABLE E (Cont'd):

Rate Element		SWBT Tariff F.C.C. No. 73 Section
Installation or Repair Overtime – Outside Basic Schedule Working Hours – per hour or fraction thereof		13
Installation or Repair Premium Time – Outside Basic Schedule Working Hours – per hour or fraction thereof		13
Installation or Repair Stand-By Time – Outside Basic Schedule Working Hours – per hour or fraction thereof		13
Maintenance of Service Charge – per each Half Hour or fraction there of – Basic Working Hours		13
Maintenance of Service Charge – per each Half Hour or fraction there of – Overtime Working Hours		13
Maintenance of Service Charge – per each Half Hour or fraction there of – Premium Working Hours		13

(B) 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.5 Rates and Charges (Cont'd)

(C) If the Customer requests that the Telephone Company provide Qualified Ethernet[1] 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 41.164.5 (A)(1) of this Contract Offer.

41.164.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.21, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.21, 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.

[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. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.6 Assignment/Transfer (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 73.164.6 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.

41.164.7 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.8 Termination or Failure to Purchase (Cont'd)

Notwithstanding anything to the contrary in this Contract Offer or elsewhere in SWBT Tariff F.C.C. No. 73, 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[1] Service, as provided in Section 41.164.5(A)(2) of this Contract offer, (ii) the Telephone Company is obligated to provide the Qualified Ethernet[1] 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[1] Service as required pursuant to Section 41.164.5.(A)(2) of this Contract Offer.

41.164.9 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]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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.164 Contract Offer No. 164 – Special Access Wireless DS1 Bundle Service Offer (Cont'd)

41.164.9 Technology Upgrade/Migration (Cont'd)

(A) (Cont'd)

(1) The Customer must meet all eligibility requirements outlined in Section 41.164.3, and Terms and Conditions outlined in Section 41.164.4;

(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.

41.164.10 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.165 Contract Offering No. 165 – Access Advantage Plus Transport Service Extension

41.165.1 General Description

Contract Offer No. 165 – Access Advantage Plus Transport Service Extension is an access discount offer that provides the Customer, located in the Metropolitan Statistical Areas listed Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39, with rates listed in Section 41.165.5 for Access Advantage Plus Transport Service. The Customer must meet the Eligibility Criteria and all Terms and Conditions listed in Section 41.165.3 and 41.165.4.

41.165.2 Service Qualifications

Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 Service. AA+ Transport Service provides the Customer with a DS1 Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Multiplexer Cross Connections (MCC), as described below.

(A) An AA+ Transport Service Node is a Telephone Company hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Multiplexer Cross Connections, which are described in Section 7.3.10.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.165 Contract Offering No. 165 – Access Advantage Plus Transport Service Extension (Cont'd)

41.165.2 Service Qualifications (Cont'd)

(B) (Cont'd)

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 326 Kbps of capacity.

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

41.165.1 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) Services must be in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in SWBT Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

(B) Customer must have an existing Access Advantage Plus Transport Service.

41.165.4 Contract Term

(A) Contract Offering No. 165 is available for subscription from December 15, 2009 to March 15, 2010.

(B) In order to subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.165 Contract Offering No. 165 – Access Advantage Plus Transport Service Extension (Cont'd)

41.165.4 Contract Term (Cont'd)

(C) SWBT Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's Contract Term, other than to provisions noted below, apply to Contract Offering No. 165.

(1) Waiver of Non-Recurring Charges – The Telephone Company shall waive any otherwise applicable Non-Recurring Charge (NRC) for services provided under this Contract Offer.

(2) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus services that are cross connected to AA+ Transport Service, including Integrated Voice Access Lines and Integrated Voice Access Trunks associated with DTS-E Module 4, as well as other DTS-E switched services associated with Modules 1, 2, and 3.

(3) The Telephone Company shall waive termination liability charges that would otherwise apply to customers currently subscribed to the Access Advantage Plus Transport Service Contract Offers in the SWBT Tariff F.C.C. No. 73, Section 41, as a result of the migration of existing Services from the currently subscribed Contract Offer to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.165 Contract Offering No. 165 – Access Advantage Plus Transport Service Extension (Cont'd)

41.165.4 Contract Term (Cont'd)

(D) The Contract Term shall be twelve (12) months commencing on the date Telephone Company received the signed (LOS) from the Customer. This Contract Term is not renewable.

(E) Rates described in Section 41.165.5 shall apply during the Contract Term.

(F) No other discount pricing plans apply.

(G) A minimum of four (4) existing DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's Intrastate Access Advantage Plus services, and will be maintained during the Contract Term. These services may include Integrated Voice Access Lines and Integrated Voice Access Trunks associated with Digital Transport Service Enhanced (DTS-E) Module 4 (Access Advantage Plus), as well as other DTS-E switched services associated with Modules 1, 2, and 3. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the Contract Term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 165 terminated.

(H) Service will utilize the pre-existing configuration which includes the same AA+ Transport Service Node.

(I) The AA+ Transport Service Customer will utilize the same channel assignments, which include:

(1) The DS0 channel assignments which connect AA+ Transport Service via Multiplexer Cross Connections to the DS0 channels derived from other multiplexed high capacity service arrangements.
(2) The consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.165.2 (B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.165 Contract Offering No. 165 – Access Advantage Plus Transport Service Extension (Cont'd)

41.165.5 Rate Regulations

(A) Rates and Charges

The Monthly Recurring Charge for Services provided under this Contract Offer are described below in Table A.

Table A

MRC	CRIS USOC	CABS USOC
$200.00	DZS1P	1ZZPZ

41.165.6 Termination Liability

If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 165 prior to the expiration of the Contract Term, the Customer shall incur a termination charge. The termination charge for Contract Offering No. 165 is fifty (50) percent of the remaining monthly rate payments due for the balance of the Contract Term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

The Customer may elect to discontinue Contract Offering No. 165 at any time prior to the expiration of the initial Contract Term, without incurring the termination charges, provided that it meet the following criteria. Customer must provide the Telephone Company with written notice of its intent to terminate service no later than thirty (30) days before termination to become effective.

(A) The Customer establishes a new interstate special access service of equal or greater capacity,

(B) The new service is provided to the same end user's premises to which Contract Offering No. 165 was provided,

(C) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 165, and

(D) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 165.

ACCESS SERVICE

41.166 Contract Offer No. 166 - ReliaNet Service Offer

41.166.1 General Description

ReliaNet Service Offer (Contract Offer No. 166) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 41.166.3, and the Terms and Conditions in Section 41.166.4, to purchase two (2) new Subject Services listed in Section 41.166.2 at the discounted rates provided in Section 41.166.5. Subject Services provided under Contract Offer No. 166 are available only in the Pricing Flexibility Metropolitan Statistical Area (MSA) listed in Section 41.166.3(B).

Contract Offer No. 166 is available for subscription from March 5, 2010 through April 5, 2010. This Contract Offer is not renewable.

41.166.2 Subject Services

(A) Contract Offer No. 166 applies to the following pricing flexibility qualified access services (Subject Services) contained in the following tariff section:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 31 - ReliaNet MAC-Option B - SONET Volume Option 12 [SV0 (12)].

(B) All Terms and Conditions for the Subject Service listed above are governed by their respective tariff sections, except as noted herein.

41.166.3 Eligibility Criteria

The following eligibility criteria must be met to receive this Contract Offer No. 166 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 41.166.2(A);

(B) Subject Services must be located in the following Pricing Flexibility MSAs: Wichita, KS; and Topeka, KS.

(C) The Subject Service must not have been previously provided to the Customer by the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.166 Contract Offer No. 166 – ReliaNet Service Offer (Cont'd)

41.166.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the 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 SWBT Tariff F.C.C. No. 73, Section 31, for ReliaNet Service. 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 plan options, the Telephone Company shall convert the Subject Services to the prevailing monthly extension rates in SWBT Tariff F.C.C. No. 73, Section 39.

(B) Rate Stability

Rate stability under Contract Offer No. 166 shall apply only to the rates specific to this Contract Offer, as provided in the rate tables in Section 41.166.5. 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) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS)to the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.166 Contract Offer No. 166 – ReliaNet Service Offer (Cont'd)

41.166.4 Terms and Conditions (Cont'd)

(D) If the Customer terminates the Subject Service provided under this Contract Offer and/or terminates this Contract Offer in its entirety during the Term Period, termination liability charges will apply in accordance with Section 41.166.8.

(E) Any additional service, features or functions not listed in Section 41.166.5 of this Contract Offer must be requested by the Customer, and will be provided by the Telephone Company according to SWBT Tariff F.C.C. No. 73, Section 39.

(F) Within sixty (60) days after contract subscription, the Customer must submit an Access Service Request (ASR) to purchase one (1) new ReliaNet MAC-Opt. B – SONET Volume Option 12 [SV0(12)] Service located in the Wichita, KS and one (1) located in the Topeka, KS MSAs with the rate element provided in Section 41.166.5(A), herein. Customer must have purchased two (2) Subject Services in total pursuant to this Contract Offer.

(G) Subject Services under this Contract Offer will not be eligible for additional discounts under the Managed Value Plan (MVP) offering in SWBT Tariff F.C.C. No. 73, Section 22. This Contract Offer cannot be combined with any other promotion, contract, or discount offer.

41.166.5 Rates and Charges

(A) New OC-12 Dedicated Ring Service Rates and Charges

The Customer shall pay the Monthly Recurring Charge (MRC) set forth in Table A, below, for two (2) new ReliaNet MAC-Option B – SONET Volume Option 12 [SV0 (12)] Subject Services purchased under this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.166 Contract Offer No. 166 – ReliaNet Service Offer (Cont'd)

41.166.5 Rates and Charges (Cont'd)

Table A

ReliaNet Rate Element	**USOC**	**Rate**
MAC Opt. B [SVO (12)]	N8PBX	**$5,813.00**

Prevailing tariff Non-Recurring Charges (NRCs), as described in SWBT Tariff F.C.C. No. 73, Section 39, for ReliaNet Service, shall apply.

41.166.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section .2.1, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of creditworthiness 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.166 Contract Offer No. 166 – ReliaNet Service Offer (Cont'd)

41.166.6 Assignment and Transfer (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 creditworthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion in determining the creditworthiness of the assignee or transferee based on any information available.

41.166.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and in 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.166 Contract Offer No. 166 – ReliaNet Service Offer (Cont'd)

41.166.8 Termination Liability

Termination liability shall apply as provided herein, in lieu of termination liability as provided in SWBT Tariff F.C.C. No. 73, Section 31. Termination charges shall become due as of the effective date of the termination, and are payable within thirty (30) days after the billing invoice date.

The Customer's subscription to a Subject Service pursuant to this Contract Offer No. 166 shall terminate if the Customer elects to terminate the Subject Service, or if the Customer materially breaches the Terms and Conditions governing the Subject Service. The Telephone Company shall notify the Customer of its non-compliance, and the Customer shall have thirty (30) calendar days to cure its non-compliance. If it does not, the Telephone Company shall deem this Contract Offer terminated, and the Customer shall be liable for termination liability charges set forth in this Section, except as expressly provided to the contrary herein. If any Subject Service is so terminated, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the MRC for the terminated Subject Services for the balance of the Term Period.

The termination charge shall be calculated as (MRC) multiplied by (months remaining in Term Period) multiplied by (termination liability percentage of fifty (50) percent).

Example: The MRC of the terminated Subject Service equals $5,000 and the Subject Service is terminated after thirty-six (36) months, with twenty-four (24) months remaining in the Term Period. The termination charge would be:

($5,000 X 24) X 50% = $60,000 Termination Charge

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.167 Contract Offering No. 167 – Access Advantage Plus Transport Service Extension

41.167.1 General Description

Contract Offer No. 167 – Access Advantage Plus Transport Service Extension is an access discount offer that provides the Customer, located in the Metropolitan Statistical Areas listed Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39, with rates listed in Section 41.167.5 for Access Advantage Plus Transport Service. The Customer must meet the Eligibility Criteria and all Terms and Conditions listed in Section 41.167.3 and 41.167.4.

41.167.2 Service Qualifications

Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 Service. AA+ Transport Service provides the Customer with a DS1 Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Multiplexer Cross Connections (MCC), as described below.

(A) An AA+ Transport Service Node is a Telephone Company hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Multiplexer Cross Connections, which are described in Section 7.3.10.

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements:

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.167 Contract Offering No. 167 – Access Advantage Plus Transport Service Extension (Cont'd)

41.167.2 Service Qualifications (Cont'd)

(B) (Cont'd)

(1) Bonded Channel Group 2 – Two (2) consecutively assigned DS0 channels configured to provide 128 Kbps of capacity.

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 326 Kbps of capacity.

(3) Bonded Channel Group 6 – Six (6) consecutively assigned DS0 channels configured to provide 384 Kbps of capacity.

(4) Bonded Channel Group 8 – Eight (8) consecutively assigned DS0 channels configured to provide 512 Kbps of capacity.

(5) Bonded Channel Group 12 – Twelve (12) consecutively assigned DS0 channels configured to provide 768 Kbps of capacity.

41.167.1 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) Services must be in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in SWBT Tariff F.C.C. No. 73, Section 39. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 39, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

(B) Customer must have an existing Access Advantage Plus Transport Service.

41.167.4 Contract Term

(A) Contract Offering No. 167 is available for subscription from March 16, 2010 to June 15, 2010.

(B) In order to subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.167 Contract Offering No. 167 – Access Advantage Plus Transport Service Extension (Cont'd)

41.167.4 Contract Term (Cont'd)

(C) SWBT Tariff F.C.C. No. 73, Sections 2, 4, 5, 13 and 42 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's Contract Term, other than to provisions noted below, apply to Contract Offering No. 167.

(1) Waiver of Non-Recurring Charges – The Telephone Company shall waive any otherwise applicable Non-Recurring Charge (NRC) for services provided under this Contract Offer.

(2) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus services that are cross connected to AA+ Transport Service, including Integrated Voice Access Lines and Integrated Voice Access Trunks associated with DTS-E Module 4, as well as other DTS-E switched services associated with Modules 1, 2, and 3.

(3) The Telephone Company shall waive termination liability charges that would otherwise apply to customers currently subscribed to the Access Advantage Plus Transport Service Contract Offers in the SWBT Tariff F.C.C. No. 73, Section 41, as a result of the migration of existing Services from the currently subscribed Contract Offer to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.167 Contract Offering No. 167 – Access Advantage Plus Transport Service Extension (Cont'd)

41.167.4 Contract Term (Cont'd)

(D) The Contract Term shall be twelve (12) months commencing on the date Telephone Company received the signed (LOS) from the Customer. This Contract Term is not renewable.

(E) Rates described in Section 41.167.5 shall apply during the Contract Term.

(F) No other discount pricing plans apply.

(G) A minimum of four (4) existing DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's Intrastate Access Advantage Plus services, and will be maintained during the Contract Term. These services may include Integrated Voice Access Lines and Integrated Voice Access Trunks associated with Digital Transport Service Enhanced (DTS-E) Module 4 (Access Advantage Plus), as well as other DTS-E switched services associated with Modules 1, 2, and 3. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the Contract Term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 167 terminated.

(H) Service will utilize the pre-existing configuration which includes the same AA+ Transport Service Node.

(I) The AA+ Transport Service Customer will utilize the same channel assignments, which include:

(1) The DS0 channel assignments which connect AA+ Transport Service via Multiplexer Cross Connections to the DS0 channels derived from other multiplexed high capacity service arrangements.
(2) The consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 41.167.2 (B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.167 Contract Offering No. 167 – Access Advantage Plus Transport Service Extension (Cont'd)

41.167.5 Rate Regulations

(A) Rates and Charges

The Monthly Recurring Charge for Services provided under this Contract Offer are described below in Table A.

Table A

MRC	CRIS USOC	CABS USOC
$200.00	DZS1P	1ZZPZ

41.167.6 Termination Liability

If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 167 prior to the expiration of the Contract Term, the Customer shall incur a termination charge. The termination charge for Contract Offering No. 167 is fifty (50) percent of the remaining monthly rate payments due for the balance of the Contract Term. The termination charge is calculated as follows:

(Monthly rate) x (Months remaining in initial contract term) x (50%)

The Customer may elect to discontinue Contract Offering No. 167 at any time prior to the expiration of the initial Contract Term, without incurring the termination charges, provided that it meet the following criteria. Customer must provide the Telephone Company with written notice of its intent to terminate service no later than thirty (30) days before termination to become effective.

(A) The Customer establishes a new interstate special access service of equal or greater capacity,

(B) The new service is provided to the same end user's premises to which Contract Offering No. 167 was provided,

(C) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 167, and

(D) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 167.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Service Offer

41.168.1 General Description

Self Healing Transport Network (STN) Volume Option 3 Service Offer (Contract Offer No. 168) is an access discount pricing offer that permits Customers located in the St. Louis, Missouri Metropolitan Statistical Area (MSA) to received discounts on an existing STN Volume Option 3 Service at the rates listed in Section 41.168.5, herein.

Contract Offer No. 168 is only available September 15, 2010 through October 15, 2010.

41.168.2 Eligibility Criteria

The following eligibility criteria must be met in order to receive discounts under Contract Offer:

(A) Services must be located in the following Pricing Flexibility MSA: St. Louis, MO.

(B) Contract Offer No. 168 applies to Phase II pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff section:

Self Healing Transport Network (STN) Service (Volume Option 3) – Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.11.

(C) The Customer’s existing embedded configuration base services must include one (1) STN Volume Option 3 service with transport at no more than 0 miles.

All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.168.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is two (2) years, subject to up to five (5) 1-year extensions, commencing on the date billing begins. Billing commences no later than thirty (30) days after the Telephone Company's completion of the access service order.

The Customer may, at its discretion, initiate up to five (5) 1-year extensions to this Contract Offer upon expiration of the Term Period. To extend this Contract Offer, the Customer must notify the Telephone Company at least sixty (60) days prior to the expiration of the Term Period, or with respect to any subsequent extension, at least sixty (60) days prior to the expiration of the prior extension period.

At the expiration of the Customer's contract Term Period, if the Customer does not elect to extend the Term Period, or does not terminate service under this Contract Offer, Subject Services provided under this Contract Offer will convert to the rates as specified in Section 41.168.5 on a month-to-month basis. If the Customer chooses not to continue services pursuant to this Contract Offer, the Customer must terminate services by providing written notice within thirty (30) days of expiration of the Term Period.

Purchase of the services under this Contract Offer is also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for STN Option 3 services. Such terms and conditions may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer No 168.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.168.3 Terms and Conditions Cont'd

(B) Contract Offer No. 168 is only available September 15, 2010 through October 15, 2010.

(C) In order to subscribe to Contract Offer No. 168, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) If the Customer should discontinue service under this Contract Offer during the Term Period, or any extension of the Term Period, termination liability charges will apply in accordance with Section 41.168.6, herein.

(E) If, after the Telephone Company receives the Letter of Subscription (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.

(F) If the Customer requests additional services not included in Section 41.168.5, herein, the Customer will pay the three (3) year tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services.

(G) Service must be an existing STN Volume Option 3 with transport not to exceed 0 miles.

(H) This Contract Offer cannot be combined with any other current promotional discount, contract offer, or future offerings.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.168.4 Assign and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 168 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B), 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:

- "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.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.168.5 Rates and Charges

(A) STN Volume Option 3 Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC):

Rate Element	USOC	Quantity	Rate
STN Basic Volume Option 3 Configuration	SHKBX	1	$5,627.02
STN Transport (per airline mile)	1T5QS	0	$0.00
Multiplexing, per multiplexer	MKQ	2	$486.49
TOTAL			$6,600.00

The above rates are applicable during the Term Period and any extension of the Term Period. Any additional components and rates not included in this Section will be applied as specified in Section 39-Metropolitan Statistical Area Access Services.

41. Pricing Flexibility Contract Offerings Cont'd

41.168 Contract Offer No. 168 – Self Healing Transport Network (STN) Volume Option 3 Offer Cont'd

41.168.6 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability provisions of F.C.C. No. 73, Section 39. If Customer terminates Contract Offer No. 168 before the completion of the Term Period, including any extension period if applicable, for any reason, 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 41.168.2, or the Terms and Conditions in Section 41.168.3. 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:

50% of all recurring charges for the balance of the Customer's two (2) year Term Period or any applicable extension of the Term Period.

The termination liability charge will be calculated as follows:

(MRC) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%)

Example A: The Customer with a $6,600 MRC terminates service after twelve (12) months, and has twelve (12) months remaining in a two (2) year Term Period. The termination liability would be calculated as:

($6,600 X 12 months) X 50% = $39,600 termination liability charge.

Example B: termination liability under an extension of the Term Period.

A Customer with a $6,600 MRC terminates service after three (3) months, and has nine (9) months remaining in its current 1-year extension. The termination liability would be calculated as:

($6,600 X 9 months) X 50% = $29,700 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.169 Contract Offer No. 169 - Self Healing Transport Network (STN) Volume Option 3 Service Offer

41.169.1 General Description

Self Healing Transport Network (STN) Volume Option 3 Service Offer (Contract Offer No. 169) is an access discount pricing offer that permits Customers located in the St. Louis, Missouri Metropolitan Statistical Area (MSA) to received discounts on an existing STN Volume Option 3 Service at the rates listed in Section 41.169.5, herein.

Contract Offer No. 169 is only available September 22, 2010 through October 22, 2010.

41.169.2 Eligibility Criteria

The following eligibility criteria must be met in order to receive discounts under Contract Offer:

(A) Services must be located in the following Pricing Flexibility MSA: St. Louis, MO.

(B) Contract Offer No. 169 applies to Phase II pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff section:

Self Healing Transport Network (STN) Service (Volume Option 3) - Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Section 39.5.2.11.

(C) The Customer's existing embedded configuration base services must include one (1) STN Volume Option 3 service with transport at no more than 0 miles.

All terms and conditions for the qualified services listed above are governed by their respective tariff sections except as noted herein.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.169 Contract Offer No. 169 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.169.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) is two (2) years, subject to up to five (5) 1-year extensions, commencing on the date billing begins. Billing commences no later than thirty (30) days after the Telephone Company's completion of the access service order.

The Customer may, at its discretion, initiate up to five (5) 1-year extensions to this Contract Offer upon expiration of the Term Period. To extend this Contract Offer, the Customer must notify the Telephone Company at least sixty (60) days prior to the expiration of the Term Period, or with respect to any subsequent extension, at least sixty (60) days prior to the expiration of the prior extension period.

At the expiration of the Customer's contract Term Period, if the Customer does not elect to extend the Term Period, or does not terminate service under this Contract Offer, Subject Services provided under this Contract Offer will convert to the rates as specified in Section 41.169.5 on a month-to-month basis. If the Customer chooses not to continue services pursuant to this Contract Offer, the Customer must terminate services by providing written notice within thirty (30) days of expiration of the Term Period.

Purchase of the services under this Contract Offer is also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering Options for Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services, installation and rearrangement charges in Section 39 for STN Option 3 services. Such terms and conditions may be modified through the filing of tariff revisions at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer No 169.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.169 Contract Offer No. 169 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.169.3 Terms and Conditions Cont'd

(B) Contract Offer No. 169 is only available September 22, 2010 through October 22, 2010.

(C) In order to subscribe to Contract Offer No. 169, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(D) If the Customer should discontinue service under this Contract Offer during the Term Period, or any extension of the Term Period, termination liability charges will apply in accordance with Section 41.169.6, herein.

(E) If, after the Telephone Company receives the Letter of Subscription (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.

(F) If the Customer requests additional services not included in Section 41.169.5, herein, the Customer will pay the three (3) year tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services.

(G) Service must be an existing STN Volume Option 3 with transport not to exceed 0 miles.

(H) This Contract Offer cannot be combined with any other current promotional discount, contract offer, or future offerings.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.169 Contract Offer No. 169 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.169.4 Assign and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 169 pursuant to F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 73, Section 2.2.1 are fulfilled unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B), 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:

- "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.

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings Cont'd

41.169 Contract Offer No. 169 – Self Healing Transport Network (STN) Volume Option 3 Service Offer Cont'd

41.169.5 Rates and Charges

(A) STN Volume Option 3 Service Rates and Charges:

Customer shall pay the following Monthly Recurring Charge (MRC):

Rate Element	USOC	Quantity	Unit Monthly Rate
STN Basic Volume Option 3 Configuration	SHKBX	1	$4,339.72
Vol Opt 3, Each Additional DTL added to Basic Configuraton	SH3BX	1	$1,175.34
Multiplexing, per multiplexer	MKQ	2	$542.47

The above rates are applicable during the Term Period and any extension of the Term Period. Any additional components and rates not included in this Section will be applied as specified in Section 39-Metropolitan Statistical Area Access Services.

41. Pricing Flexibility Contract Offerings Cont'd

41.169 Contract Offer No. 169 – Self Healing Transport Network (STN) Volume Option 3 Offer Cont'd

41.169.6 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability provisions of F.C.C. No. 73, Section 39. If Customer terminates Contract Offer No. 169 before the completion of the Term Period, including any extension period if applicable, for any reason, 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 41.169.2, or the Terms and Conditions in Section 41.169.3. 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:

50% of all recurring charges for the balance of the Customer's two (2) year Term Period or any applicable extension of the Term Period.

The termination liability charge will be calculated as follows:

(MRC) multiplied by (Months remaining in Term Period) multiplied by (Termination liability percentage of 50%)

Example A: The Customer with a $6,600 MRC terminates service after twelve (12) months, and has twelve (12) months remaining in a two (2) year Term Period. The termination liability would be calculated as:

($6,600 X 12 months) X 50% = $39,600 termination liability charge.

Example B: termination liability under an extension of the Term Period.

A Customer with a $6,600 MRC terminates service after three (3) months, and has nine (9) months remaining in its current 1-year extension. The termination liability would be calculated as:

($6,600 X 9 months) X 50% = $29,700 termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.170 Contract Offer No. 170 – Access Service Offer

41.170.1 General Description

The Special Access Service Offer (Contract Offer No. 170) 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; BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 72; and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 194 (collectively, with this Contract Offer No. 170, Concurrently Subscribed Contract Offers). NBTC, PBTC, SNET, BellSouth and Ameritech, with the Telephone Company, shall be identified herein as the "Qualified Companies." (Nx)

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 170 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 170 requires eligible Customers to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.170.5. The MARC consists of certain recurring revenues from, in the aggregate, all MARC-eligible services purchased from Southwestern Bell Telephone Company (SWBT or the Telephone Company), as defined and provided in this Contract Offer No. 170, and the MARC-eligible services as defined and provided in the other Concurrently Subscribed Contract Offers described in Section 41.170.3(C).

MARC-eligible services provided by the Telephone Company are described in Section 41.170.2, with the Subject Services set forth in Section 41.170.2(A), and Non-Subject Services set forth in Section 41.170.2(B).

Contract Offer No. 170 will be available for subscription only from November 11, 2010 through December 11, 2010. This offer is not renewable.

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.2 Subject and Non-Subject Services

MARC-eligible services under this Contract Offer No. 170 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 SWBT Tariff F.C.C. No. 73, 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) Subject Services

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, Broadband Circuit Service (BCS), Shared Transport Network (STN), Relianet, except for any rate elements not subject to pricing flexibility

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.2 Subject and Non-Subject Services (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, Synchronous Broadband Circuit Service (BCS), Shared Transport Network (STN), Relianet, services and rate elements not listed in Table A
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® and Opt-E-MAN[1] 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 or Non-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. 170. 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.

[1] Interstate OCN PTP, DSRS, MON, GigaMAN,® DecaMAN,® and Opt-E-MAN® 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.2 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. 170.

41.170.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 170:

(A) Contract Offer No. 170 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 SWBT Tariff F.C.C. No. 73, Section 39 and those additional MSA's listed below. During the Term Period of this Contract Offer No. 170, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 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. 170.

Austin – San Marcos, TX; Brownsville-Harlingen, TX; Dallas – Ft. Worth, TX; Ft. Smith, AR-OK; Houston, TX; Joplin, MO; Kansas City, KS-MO; McAllen-Edinburg, TX; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Tyler, TX; Waco, TX; Wichita Falls, TX; Wichita, KS.

(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 41.170.4(C), below) during those twelve (12) months equal to no less than $800 million.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.3 Eligibility Criteria (Cont'd)

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

- 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. (Nx)

(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.

41.170.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 170:

(A) Subscription.

To subscribe to Contract Offer No. 170, 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. 170 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. 170.

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.4 Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer No. 170 (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 41.170.4(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.

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. 170 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 41.170.5(A), for each Term Year of this Contract Offer No. 170. 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. (Nx)
1, and those issued under this Contract Offer No. 170 and the (Nx)
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 41.170.2 of this Contract Offer No. 170, 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 41.170.2 of this Contract Offer No. 170, and the MARC-eligible services as similarly set forth in the other Concurrently

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.4 Terms and Conditions (Cont'd)

(C) (Cont'd)

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 41.170.2 of this Contract Offer No. 170, and charges for MARC-eligible services, as similarly set forth in the other Concurrently Subscribed Contract Offers, shall only be considered MARC-Eligible Charges to the extent that they would have prior to the transaction that resulted in such permitted successor.

(D) Credits earned by the Customer under this Contract Offer No. 170 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.170.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(E) Except as provided in Section 41.170.4(F), with respect to Contract Offer No. 160, credits earned under this Contract Offer No. 170 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. 170 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, as of the Effective Date of this Contract Offer, the Customer purchases services subject to SWBT Tariff F.C.C. No. 73, Contract Offer No. 160 (Prior Contract Offer), the Prior Contract Offer shall be terminated, without termination liability, simultaneously with the Customer's subscription to this Contract Offer and the Customer will therefore be permitted to subscribe to this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.4 Terms and Conditions (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,[1] 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. 170 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 SWBT Tariff F.C.C. Tariff No. 73 (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. 170.

(J) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Section 2.7) of Subject Services provided pursuant to this Contract Offer No. 170 is prohibited.

[1] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.5 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 41.170.4(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 pro-rated 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 41.170.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 170 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for MARC-Eligible Charges under those contract offers.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) (Cont'd)

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.

(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).

41.170.6 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.6 Discounts and Other Credits (Cont'd)

(A) Monthly Credits (Cont'd)

The aggregate amount of Monthly MARC Credits for a Term Year under this Contract Offer No. 170 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. 170 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. 170 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.

MMCs shall not be posted if the Customer is in material breach of this Contract Offer No. 170 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.

Table D

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 Optional Extension	$6,000,000
Year 6 - Second Optional Extension	$6,000,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.6 Discounts and Other Credits (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.170 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 41.170.6(B)(2) and analogous provisions of the other Concurrently Subscribed Contract Offers) previously paid by the Customer under this Contract Offer No. 170 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 one-fourth of the MARC times the number of quarters included in each Quarterly True-up Process (Year-to-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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.6 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 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.6 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 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.6 Discounts and Other Credits (Cont'd)

(C) Annual True-up Process (Cont'd)

(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. 170 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 Service Level Agreements (SLA)

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 SWBT Tariff F.C.C. No. 73, Section 2.5 or any credits pursuant to the Installation Interval Guarantee under SWBT Tariff F.C.C. No. 73, Section 2.5. 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 41.170.7(B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 41.170.7 (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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 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 41.170.7 (B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 41.170.7(B)(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 41.170.7 (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

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 Service Level Agreements (SLA) (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) x 350 = $70,000 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 x $350 = $8,750

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 Service Level Agreements (SLA) (Cont'd)

(C) 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 41.170.7 (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 41.170.7 (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.

(c) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table B, below.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 Service Level Agreements (SLA) (Cont'd)

(C) Service Interruptions. (Cont'd)

(1) Service Restoration Interval. (Cont'd)

Table B

Circuit Type	Monthly Trouble Report Minimum	Credit
DS1	4,000	$100
DS3	125	$350

Example 2:

DS1	Month	Month	Month	Month	Month	Month	Month	Month	Month
FF TRBL	3937	4000	4184	4553	4032	4532	4601	4035	4005
TTR >	1302	2149	1506	2396	2168	2709	2417	2139	2099
%	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, or

(2396 + 2168 + 2709 + 2417 + 2139 + 2099) x $100 = $1,392,800

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 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.

(c) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table C, below.

Circuit Type	Monthly Trouble Report Minimum	Credit
DS1	4,000	$100
DS3	125	$350

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.7 Service Level Agreements (SLA) (Cont'd)

(C) Service Interruptions. (Cont'd)

(2) Repeat Trouble. (Cont'd)

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	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) x 100 = $624,700

41.170.8 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 170 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. 170 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. 170 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. 170 and the other Concurrently Subscribed Contract Offers; any assignee or transferee shall continue to perform the assigning or transferring party's obligations under

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.8 Assignment/Transfer/Successors

(A) (Cont'd)

this Contract Offer No. 170 and the other Concurrently Subscribed Contract Offers; any assignment or transfer by the Customer shall be subject to the provisions of Section 41.170.7(B), below, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 170 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 170 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 41.170.7(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.

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.8 Assignment/Transfer/Successors

(B) (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 41.170.7(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.

41.170.9 Mergers/Acquisitions and Sales/Divestitures

All provisions of this Contract Offer No. 170 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. 170 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 41.170.5(A), or be eligible for any credits under this Agreement.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 170 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. 170 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. 170 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 the either case beginning immediately after the period covered by the Pro-rated 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 MMCs 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.10 Termination (Cont'd)

(A) Termination Liability Charge (Cont'd)

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:

(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 Pro-rated True-Up Amount;

(2) if there is a reduction under Section 41.170.9(A)(1), by the amount of any Quarterly Shortfall charges paid for that Term Year; or

(3) if there is no reduction under Section 41.170.9(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 Pro-rated True-Up Amount.

If the aggregate reduction under Section 41.170.9(A)(1) and (2), or the reduction under Section 41.170.9(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.10 Termination (Cont'd)

(A) Termination Liability Charge (Cont'd)

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 SWBT Tariff F.C.C. No. 73.

(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 percent (30%), as compared to the rates applicable to Subject and Non-Subject Services on the Subscription Date, either party may terminate this Contract Offer No. 170 and the other Concurrently Subscribed Contract Offers without incurring any termination liability charge that would otherwise be due under this Contract Offer No. 170, upon sixty (60) day advance written notice to the other party. Such option to terminate shall be exercisable to this Contract Offer No. 170 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 Days of this Contract Offer No. 170, 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;

2. DS-3: CT, CM fixed, CM per mile and Multiplexing (MUX);

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.170 Contract Offer No. 170 – Access Service Offer (Cont'd)

41.170.10 Termination (Cont'd)

(B) (Cont'd)

3. SONET Dedicated Ring Service[1]: 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) Services[1]: 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 41.170.9(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 41.170.9(B) and to those rate elements listed in the analogous sections 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.

[1] 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.

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer

41.171.1 General Description

Subtending DS1/DS3 Service Offer (Contract Offer No. 171) is an access services discount pricing plan that permits Customers that meet the Eligibility Criteria in Section 41.171.3, and the Terms and Conditions in Section 41.171.4, to purchase Subject Services in Section 41.171.2 at discounted rates listed in Section 41.171.5. Subject Services under Contract Offer No. 171 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 41.171.3(B). Contract Offer No. 171 is available for subscription from December 11, 2010 through January 11, 2011. This Contract Offer is not renewable.

41.171.2 Subject Services

(A) Contract Offer No. 171 applies to the following pricing flexibility qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Sections 39.5.2.12- DS3 Megalink Custom Service; and
(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 – DS1 High Capacity Service.

(B) Subject Services must be located in the following Metropolitan Statistical Area (MSA): Dallas/Ft. Worth, TX.

(C) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to Contract Offer No. 171:

(A) As of the date the Customer subscribes to this Contract Offer, the Customer must be purchasing one or more Dedicated SONET Ring Services (DSRS)[1] from the Telephone Company with a capacity of OC-48 or greater, which must have been in service on or before the effective date of this Contract Offer.

(B) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been purchasing no fewer than one thousand two hundred (1200) DS1 circuits, and no fewer than ninety-five (95) DS3 circuits, all of which must be located in the Dallas/Ft. Worth, TX MSA.

41.171.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is five (5) years, commencing on the date the Telephone Company receives a signed Letter of Subscription from the Customer (Subscription Date). Upon expiration of the Term Period or termination of this Contract Offer, Subject Services shall no longer be provided at the rates in this Contract Offer, but shall be provided at the prevailing month-to-month rates in SWBT Tariff F.C.C. No. 73, Section 39.

[1] Dedicated SONET Ring Service (DSRS) is 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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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.4 Terms and Conditions (Cont'd)

(B) Service Term
Each Subject Service must be purchased pursuant to a sixty (60) month Term Payment Plan (TPP) (the "Service Term"), SWBT Tariff F.C.C. No. 73, Section 7.2.22. Any service previously purchased by the Customer and converted to this Contract Offer shall be subject to a new sixty (60) month Service Term, which will begin on the date of conversion. Upon expiration or termination of this Contract Offer, each Subject Service will be subject to the rates, terms and conditions of the otherwise applicable tariff provisions 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 or any other applicable tariff provision, prior to the completion of the applicable Service Term, the Customer will be liable for termination liability charges as provided in SWBT Tariff F.C.C. No. 73, Section 7, except that Subject Services replaced by Ethernet[1]-based services during the Term Period, as provided in Section 41.171.4(E) of this Contract Offer, will not be subject to termination liability.

(C) Contract Offer No. 171 is available for subscription only from December 11, 2010 through January 11, 2011.

(D) 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.

[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.

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.4 Terms and Conditions (Cont'd)

(E) 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 contained in Section 39 - Metropolitan Statistical Area Access Services.

(F) Within thirty (30) days following the Subscription Date, the Customer must purchase no fewer than one thousand two hundred (1200) DS1 Subject Services and ninety-five (95) DS3 Subject Services under this Contract Offer, including any services initially ordered pursuant to other provisions of SWBT Tariff F.C.C. No 73.

(G) All Subject Services must subtend DSRS[1] purchased from the Telephone Company and having a capacity of OC-48 or greater.

(H) If, as of the Subscription Date of this Contract Offer, the Customer purchases services pursuant to SWBT Tariff F.C.C. No. 73, Contract Offer No. 65, this Contract Offer shall supersede Contract Offer No. 65. The Customer will be permitted to terminate its subscription to Contract Offer No. 65 and purchase such Subject Services to this Contract Offer without termination liability under Contract Offer No. 65.

(I) 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 sixty (60) month TPP for the remainder of their Service Terms.

(J) Upon completion of the applicable Service Terms, Subject Services will be provided at the prevailing month-to-month rates in SWBT Tariff F.C.C. No. 73, Section 39 unless the Customer disconnects the services or chooses another applicable rate.

[1] Dedicated SONET Ring Service (DSRS) is 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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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.4 Terms and Conditions (Cont'd)

(K) 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.

(L) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Sections 2.7) of Subject Services provided pursuant to this Contract Offer No. 171 is prohibited.

(M) All traffic carried over Subject Services must originate or terminate at a Mobile Switching Center (MSC) operated by or on behalf of the Customer.

41.171.5 Rates and Charges

(A) The Telephone Company will initially bill the Customer according to the applicable TPP Monthly Recurring Charges ("MRCs"). The Customer will then be credited in an amount equal to ten percent (10%) off the TPP MRCs for the DS3 rate elements listed in Table A, below, and five percent (5%) off the TPP MRCs for the DS1 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 or otherwise affected by the credits applied to the Customer's bill.

Table A

Rate Element	**USOC**
DS3 Interoffice Fixed Mileage	10XLX
DS3 Interoffice Variable Mileage	1HXLS
DS3 to DS1 Multiplexor	MKM

Table B

Rate Element	**USOC**
DS1 Channel Termination	TMECS
DS1 Interoffice Fixed Mileage	1L5XX
DS1 Interoffice Variable Mileage	1L5XX

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.5 Rates and Charges (Cont'd)

(B) Any charges or rate elements not listed in Tables A and B, above, will be governed by the otherwise applicable tariff provisions.

41.171.6 Service Replacement

(A) The Customer may disconnect any Subject Service prior to the expiration of the applicable Service Term, provided that: (i) the Customer replaces the disconnected Subject Services with Ethernet[1]-based services purchased from the Telephone Company; (ii) such Ethernet[1]-based services are provided at total MRCs equal to or greater than those applicable to the Subject Services being replaced; and (iii) any such Ethernet[1]-based service is subject to a term commitment of sixty (60) months or more. The Customer will be deemed to have replaced Subject Services with Ethernet[1]-based services, within the meaning of this Contract Offer, if but only if such Ethernet[1]-based services have been installed prior to the time of disconnection of the terminated Subject Services used to provide service to the same Customer location.

(B) The Customer's compliance with Section 41.171.6(A), clauses (i) and (ii) of this Contract Offer, will be determined as provided in this Section 41.171.6(B). The Telephone Company will conduct a review for each six (6) month period during the Term Period (Measurement Period), beginning six (6) months after the Subscription Date. If this Contract offer is terminated prior to the end of the Term Period, either by the Customer or by the Telephone Company as a result of Customer's breach, the final Measurement Period will consist of the period between the end of the previous Measurement Period and the date of such termination.

[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.

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.6 Service Replacement (Cont'd)

(B) (Cont'd)

For all Customer locations for which the Customer has purchased Subject Services under this Contract Offer and subsequently purchases Ethernet[1]-based services offered by the Telephone Company, the total MRCs applicable to all Subject Services (including both DS1 and DS3 Subject Services) that were disconnected during the Measurement Period (Total Terminated Subject Service MRC) will be compared to the total MRCs applicable to the Ethernet[1]-based services purchased to provide service to the locations served by the disconnected Subject Services (Total Ethernet[1] MRC). For purposes of the comparison, the MRCs of both Subject Services and Ethernet[1]-based services will be calculated net of all of applicable credits. If the Total Terminated Subject Services MRC is greater than the Total Ethernet[1] MRC during any Measurement Period, the Telephone Company will bill, and the Customer must pay, the difference between Total Terminated Subject Services MRC and Total Ethernet[1] MRC (Shortfall). The Customer must pay the Shortfall within thirty (30) days after the Shortfall has been billed to the Customer by the Telephone Company. The Shortfall charge will apply in lieu of otherwise applicable termination liability charges. If the Customer fails to pay any Shortfall charge when due, termination liability charges will apply to any Subject Services disconnected during the relevant Measurement Period, as provided in SWBT F.C.C. Tariff No. 73, Section 7.2.22. If the Total Terminated Subject Services MRC is less than or equal to the Total Ethernet[1] MRC during any Measurement Period, no Shortfall or termination liability charges will apply to any Subject Services terminated during that Measurement Period.

[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.

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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.7 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Sections 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.171.6 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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41. Pricing Flexibility Contract Offerings

41.171 Contract Offer No. 171 - Subtending DS1/DS3 Service Offer (Cont'd)

41.171.8 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.

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41. Pricing Flexibility Contract Offerings

41.172 Contract Offer No. 172-DS1 and DS3 Service Offer

41.172.1 General Description

DS1 and DS3 Service Offer (Contract Offer No. 172) is an access discount plan. Contract Offer No. 172 is available to Customers with no more than $6,500,000 in cumulative annual revenue generated from special access services purchased from the Telephone Company, as described in Section 41.172.2(C). The Customer must meet the eligibility criteria set forth in Section 41.172.2, and must otherwise comply with the terms and conditions of this Contract Offer.

Contract Offer No. 172 requires eligible customers to satisfy a Minimum Annual Revenue Commitment (MARC), as described in Section 41.172.4(C). The MARC includes recurring revenue from all Contributory Services purchased from the Telephone Company. Contributory Services include both Subject Services, as listed in Section 41.172.3(A), and Non-Subject Services, as listed in Section 41.172.3(B). 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. 172 will be available for subscription only from March 3, 2011 through April 3, 2011. This Contract Offer is not renewable.

41.172.2 Eligibility Criteria

The Customer must meet the following Eligibility Criteria:

(A) Subject Service must be a pricing flexibility qualified access service, as described in SWBT Tariff F.C.C. No. 73, Section 39.

(B) Subject Services must be located in the following MSAs:

Abilene, TX; Amarillo, TX; Austin-San Marcos, TX; Brownsville-Harlingen, TX; Corpus Christi, TX; Dallas-Ft. Worth, TX; Houston, TX; Longview-Marshall, TX; Lubbock, TX; McAllen-Edinburg, TX; Midland, TX; San Antonio, TX; Tyler, TX; Waco, TX; Wichita Falls, TX.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 –DS1 and DS3 Service Offer (Cont'd)

41.172.2 Eligibility Criteria (Cont'd)

(C) The Customer must have purchased special access services having combined monthly recurring charges of no less than $5,000,000 and no more than $6,500,000 pursuant to Tariff F.C.C. No. 73 or the AT&T Interstate Access Guidebook,[1] which shall be measured over the twelve (12) months immediately preceding the Subscription Date of this Contract Offer. Such special access services must have been provided in the MSAs listed in Section 41.172.2 (B), above.

41.172.3 Contributory Services

The MARC shall include billed monthly recurring charges from all Contributory Services purchased from the Telephone Company. Contributory Services include both Subject Services, listed in Table 1, below, and Non-Subject Services, listed in Table 2, following.

(A) Subject Services

Subject Services are listed in Table 1, below. Subject Services are eligible for credits and other incentives provided under this Contract Offer.

Table 1:

Subject Services	
High Capacity Service (DS1-1.544 Mbps)	SWBT Tariff F.C.C No. 73, Sections 7 and 39
MegaLink Data Service (DS3)	SWBT Tariff F.C.C. No. 73, Sections 20 and 39

[1]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. 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 –DS1 and DS3 Service Offer (Cont'd)

41.172.3 Contributory Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services are listed in Table 2, following. Non-Subject Services shall be included in determining and applying the MARC, but shall not otherwise be governed by this Contract Offer. In particular, but without limitation, Non-Subject Services shall not be eligible for credits and other incentives provided under this Contract Offer.

Table 2:

Non-Subject Services	
[1]Optical Carrier Network (OCN) Point to Point (PTP) Service: OC3, OC12, and OC48	AT&T Interstate Access Guidebook, Part 9, Sections 39 and 40

(C) All terms and conditions applicable to Subject Services are provided in their respective tariff sections, except as provided in this Contract Offer.

41.172.4 Terms and Conditions

(A) Term Period and Service Term

The contract term (Term Period) shall be five (5) years, beginning on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer (the "Subscription Date"). This Contract Offer is not renewable.

[1]Optical Carrier Network Point-to-Point (OCN PTP) 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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 DS1 and DS3 Service Offer (Cont'd)

41.172.4 Terms and Conditions (Cont'd)

(A) Term Period and Service Term (Cont'd)

Each Subject Service shall be purchased subject to a five (5) year DS1 Term Payment Plan or DS3 Volume Option. The rates for DS1s shall be as provided in Tariff F.C.C. No. 73, Section 7.3.10 for Phase I MSAs and Section 39.5.2.7.1 for Phase II MSAs. The rates for DS3s shall be as provided in Tariff F.C.C. No. 73, Section 20.5 for Phase I MSAs and Section 39.5.2.12.1 for Phase II MSAs.. At the expiration of the Term Period, the Customer may either (1) choose to disconnect the Subject Service with no additional charges or early termination penalties owed, or (2) choose to continue service pursuant to one of the payment options provided in SWBT Tariff F.C.C. No. 73, Sections 7, 20, 39 and 41 for those Subject Services, or any other applicable discount plan or contract offer then in effect between the Customer and the Telephone Company. In either event, Customer shall provide no less than sixty (60) days written notice of its election for such Subject Service.

The Customer's written notice must specifically identify all Subject Services to be converted and the payment plans to which each Subject Service should be converted. Notwithstanding anything else to the contrary in this Contract Offer, if, at the expiration of the Term Period, the Customer has not timely elected to disconnect the relevant service or has not timely selected one of the payment options described in the SWBT Tariff F.C.C. No. 73, Sections 7, 20, 39 and 41, or any other applicable discount plan then in effect between the Customer and the Telephone Company, the Subject Services shall remain in service and shall be converted to month-to-month rates, or to the shortest term payment plan applicable to the Subject Services if there are no month-to-month rates.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 DS1 and DS3 Service Offer (Cont'd)

41.172.4 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 Subject 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. 172, during the Term Period, termination liability charges will apply in accordance with SWBT Tariff F.C.C. No. 73, Section 7 and 20, except as provided in Section 41.172.4(D), below.

(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 SWBT Tariff F.C.C. No. 69.

(5) The Customer must remain current on payments on all billing for Subject Services, or otherwise be properly disputing same, to receive credits and other incentives provided under this Contract Offer.

(6) The Customer must satisfy the MARC, as described in Section 41.172.4(C).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 DS1 and DS3 Service Offer (Cont'd)

41.172.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(7) If, as of the Subscription Date of this Contract Offer, the Customer purchases services pursuant to Contract Offer No. 77, this Contract Offer shall supersede Contract Offer No. 77 upon expiration of the "Term Period" of Contract Offer No. 77. The Customer shall be responsible for submitting any service orders and taking any other steps reasonably necessary to permit the conversion of "Subject Services" previously purchased under Contract Offer No. 77 to this Contract Offer. Provided that the Customer submits such orders and takes such steps, such conversion shall be deemed to occur immediately upon the expiration of Contract Offer No. 77. Upon such conversion, the converted services shall retain their original in-service dates and shall be Subject Services under this Contract Offer. Such converted Subject Services will be subject to all terms and conditions of this Contract Offer and will be included in the application of the maximum purchase amount described in Section 41.172.4(B)(8), below.

(8) Maximum Purchase
The Customer may purchase a maximum of three thousand five hundred (3500) DS1 Subject Services and a maximum of four hundred (400) DS3 Subject Services under this Contract Offer.

(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 SWBT Tariff F.C.C. No. 73, Sections 7, 20 and 39.

(10) Commingling shall be defined as provided in Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

(11) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other credit plan (e.g., MVP).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 DS1 and DS3 Service Offer (Cont'd)

41.172.4 Terms and Conditions (Cont'd)

(C) Minimum Annual Revenue Commitment (MARC)

The Customer must satisfy a Minimum Annual Revenue Commitment (MARC) as provided in this Contract Offer.

(1) Determination of the MARC
The Customer agrees to a MARC of $4,200,000. The Customer's revenue, for purposes of determining and applying the MARC, shall consist of monthly recurring charges associated with Contributory Services, as described in Section 41.172.3. Non-recurring charges, usage-based charges, temporary service charges, special construction charges, cost recovery fees, taxes, and surcharges are not included in the determination of the MARC.

(2) Satisfaction of the MARC
The Telephone Company will review revenues for Contributory Services within sixty (60) days after the end of each period of twelve (12) consecutive months during the Contract Term, 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 monthly 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 at the end of the Term Year is $4,200,000, and recurring revenue for Contributory Services for the Term Year is $4,150,000. In this example, the Customer must submit a True-Up Payment of $50,000, as calculated below.

$4,200,000 MARC, minus recurring revenue for Contributory Services of $4,150,000, equals $50,000 True-up Payment to be paid by the Customer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 DS1 and DS3 Service Offer (Cont'd)

41.172.4 Terms and Conditions (Cont'd)

(C) Minimum Annual Revenue Commitment (MARC) (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 (other than as a result of a material breach by the Telephone Company), for the remainder of the Term Period. 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 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) Subject Service Termination Liability Waiver

The Telephone Company will bill any applicable termination liability charges within forty-five (45) days after the end of each month during which Subject Services have been disconnected. The Telephone Company will waive any termination liability charges that would otherwise be assessed to the Customer for disconnection of Subject Services, provided the Customer meets all of the conditions below.

(1) The Customer must comply with all the terms and conditions of this Contract Offer.

(2) Each DS1 Subject Service must have been in service for a minimum of six (6) months prior to the date on which the Subject Service is disconnected.

(3) Each DS3 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.

(4) Only Subject Services provided under this Contract Offer are subject to this Section 41.172.4(D).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 – DS1 and DS3 Service Offer (Cont'd)

41.172.5 Rates and Charges

(A) DS1 Rates:

The Customer initially will be billed according to the prevailing Monthly Recurring Charges (MRCs) at the time of subscription, listed in Section 7 or 39 of SWBT Tariff F.C.C. No. 73, as applicable to a sixty (60) month term commitment. The Customer will then be credited in an amount equal to five percent (5%) off the applicable tariff rates. Credits will be applied monthly, in arrears.

Table 3

Channel Termination- Per Point of Termination		
USOC	**Zone**	**Credit on MRCs**
TMECS	1	5%
TMECS	2	5%
TMECS	3	5%
Channel Mileage -Fixed		
USOC	**Zone**	**Credit on MRCs**
1L5XX	**1**	**5%**
1L5XX	**2**	**5%**
1L5XX	**3**	**5%**
Channel Mileage - Per Mile		
USOC	**Zone**	**Credit on 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 SWBT Tariff F.C.C. No. 73, Section 7 or 39.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 – DS1 and DS3 Service Offer (Cont'd)

41.172.5 Rates and Charges (Cont'd)

(B) DS3 Rates:

The Customer initially will be billed according to the prevailing Monthly Recurring Charges (MRCs) at the time of subscription listed in Section 20 or 39 of SWBT Tariff F.C.C. No. 73, as applicable to a sixty (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 applicable tariff rates. Credits will be applied monthly, in arrears.

Table 4

Channel Termination- Per Point of Termination		
USOC	**Zone**	**Credit on MRCs**
TUZPX	1	5%
TUZPX	2	5%
TUZPX	3	5%
Inter-Office Fixed Mileage-Per DS3 or DS3 equivalent-Fixed		
USOC	**Zone**	**Credit on MRCs**
10XHX/10XLX	**1**	**5%**
10XHX/10XLX	**2**	**5%**
10XHX/10XLX	**3**	**5%**
Channel Mileage -Per Mile		
USOC	**Zone**	**Credit on MRCs**
1J5HS/1HXLS	**1**	**5%**
1J5HS/1HXLS	**2**	**5%**
1J5HS/1HXLS	**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 SWBT Tariff F.C.C. No. 73, Section 39.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 – DS1 and DS3 Service Offer (Cont'd)

41.172.5 Rates and Charges (Cont'd)

(C) Non-Recurring Charges (NRCs):

Otherwise applicable installation Non-Recurring Charges (NRCs) for new Subject Services listed in Tables 5 and 6, below, will be waived, up to the maximum number Subject Services that may be purchased under this Contract Offer, as provided in Section 41.172.4(B)(8), above. All other NRCs will apply as provided in Tariff F.C.C. No. 73, Sections 7, 20 and 39.

Table 5

DS1 Channel Termination Non-Recurring Charge
USOC
TMECS

Table 6

DS3 Installation Charge Zones 1-3
USOC
NRBMG

41.172.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 - DS1 and DS3 Service Offer (Cont'd)

41.172.6 Assignment/Transfer/Successors (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 41.172.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.172 Contract Offer No. 172 -DS1 and DS3 Service Offer (Cont'd)

41.172.7 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 purchased by the Customer and provided by the Telephone Company at the same volume, rates, Terms and Conditions, as provided 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer

41.173.1 General Description

MegaLink Custom Service Offer (Contract Offer No. 173) is an access pricing discount plan that permits Customers located in the Houston Metropolitan Statistical Area (hereafter referred to as MSA) to purchase MegaLink Custom Service subject to the rates and credits provided in Section 41.173.6.

Contract Offer No. 173 is only available from April 30, 2011 through May 30, 2011. This Contract Offer is not renewable.

41.173.2 Subject Services and Eligibility Criteria

(A) Subject Services. Contract Offer No. 173 applies to pricing-flexibility-qualified access services contained in the following tariff section: MegaLink Custom Service (DS3)– Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39.5.2.12 (Subject Services). All Subject Services must have been ordered and purchased by the Customer prior to the Subscription Date of this Contract Offer (as defined in Section 41.173.3, below).

(B) All Subject Services must be located in the following Pricing Flexibility MSA: Houston, TX.

(C) During the month prior to the Customer’s subscription to this Contract Offer, the Customer must have been purchasing no fewer than fifty (50) DS3 circuits from the Telephone Company in the Houston, TX MSA.

(D) All Subject Services must use central office multiplexing, as described in Section 20.2.1.

(E) Transport mileage may not exceed twenty (20) miles on any Subject Service.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.3 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is five (5) years, beginning on the date the Telephone Company receives a signed Letter of Subscription from the Customer (Subscription Date), subject to a one (1) year extension, as provided below.

(1) The Customer may extend the Term Period of this Contract Offer for one (1) additional year, by providing written notice to the Telephone Company no later than sixty (60) days prior to the end of the initial five (5) years of the Term Period.

(2) If the Customer wishes to continue service after the expiration of the Term Period, the Customer may choose from the payment options described in Section 39. If the Customer does not elect such an option, Subject Services will be converted to the prevailing applicable monthly extension rates found in Section 39.

The term commitment applicable to each Subject Service purchased under this Contract Offer (Service Term) shall begin on the Subscription Date and shall continue until the Term Period has expired.

(B) Terms and Conditions

(1) The Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.

(2) If the Customer subscribed to SWBT Contract Offer No. 44 prior to the effective date of this Contract Offer, this Contract Offer shall supersede Contract Offer No. 44, effective upon the Subscription Date, and all "Subject Services" within the meaning of Contract Offer No. 44 and then being purchased under Contract Offer No. 44 shall be Subject Services under this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(3) If the Customer did not subscribe to Southwestern Bell Telephone Company Contract Offer No. 44 prior to the effective date of this Contract Offer, the Customer must purchase under this Contract Offer a minimum of fifty (50) Subject Services.

(4) If the Customer requests modifications to the network design originally constructed for the Customer under Contract Offer No. 44, the Customer must pay the Telephone Company time and material charges for each modification, as described in Section 13. Modifications of services include, but are not limited to, reconfiguration of existing ports, shelf rearrangements, node moves, ring design provisioning changes and customer premise rearrangements.

(5) If the Customer requests additional service features and functions not included in Section 41.173.6, herein, the Customer will pay the tariff rates for those additions as contained in Section 39-Metropolitian Statistical Area Access Services.

(6) Customer may not subscribe to or include Subject Services in any future promotion, contract offering, or discount plan in conjunction with this Contract Offer.

(7) Commingling shall be as defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(8) All terms and conditions for Subject Services are governed by the otherwise applicable tariff sections, except as provided in this Contract Offer. Subject Services are subject to certain rates, charges and general terms and conditions set forth in Sections 2-General Regulations; 5-Ordering Options for Special Access Service; and 13-Additional Engineering, Additional Labor & Miscellaneous Services, and for any installation and rearrangement charges in Section 39 applicable to MegaLink Custom Services. Such rates, charges, terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in this Contract Offer.

(9) Rate stability under this Contract Offer applies only to the rates specific to this Contract Offer, as listed in Section 41.173.6, below.

41.173.4 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.4 Assignment and 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 (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 41.173.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.5 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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.

41.173.6 Rates and Charges

MegaLink Custom Service Rates and Charges:

(A) The Telephone Company will initially bill the Customer according to the applicable five (5) year Optional Payment Plan (OPP) Monthly Recurring Charges (MRCs). The Customer will then be credited in an amount equal to the following discounts on the transport mileage rate elements for MegaLink Custom Service. 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 or otherwise affected by the credits applied to the Customer's bill.

(1) Interoffice Mileage- Fixed Monthly Recurring Rate- Per DS3 **Interoffice Mileage- Zone**	**USOC**	**Mileage Range**	**Discount**
Zone 1-3	10XHX/10XLX	0-3	6%
Zone 1-3	10XHX/10XLX	4-5	17%
Zone 1-3	10XHX/10XLX	6-9	32%
Zone 1-3	10XHX/10XLX	10-14	42%
Zone 1-3	10XHX/10XLX	15-18	52%
Zone 1-3	10XHX/10XLX	19-20	59%

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.6 Rates and Charges (Cont'd)

(2) Interoffice Mileage- Per Mile Monthly Recurring Rate- Per DS3 **Interoffice Mileage- Zone**	**USOC**	**Mileage Range**	**Discount**
Zone 1-3	1J5HS/1HXLS	0-3	6%
Zone 1-3	1J5HS/1HXLS	4-5	17%
Zone 1-3	1J5HS/1HXLS	6-9	32%
Zone 1-3	1J5HS/1HXLS	10-14	42%
Zone 1-3	1J5HS/1HXLS	15-18	52%
Zone 1-3	1J5HS/1HXLS	19-20	59%

(B) Any rates or charges not specified in this Contract Offer shall be governed by the otherwise applicable tariff sections.

41.173.7 Termination Liability

Termination liability, as defined in this Contract Offer, applies in lieu of the termination liability language in Section 20.4.6.

(A) Termination of Contract Offer. If the Customer terminates this Contract Offer, the Subject Services, or a rate element prior to the end of the Term Period (other than as the result of a material breach by the Telephone Company) or if the Telephone Company terminates this Contract Offer, the Subject Services, or a rate element prior to the end of the Term Period either due to Customer's material breach of the Contract Offer or any other applicable tariff provision, the Customer shall be liable for a termination charge, which shall be equal to fifty percent (50%) of the MRCs applicable under this Contract Offer for the balance of the Term Period (MRCs X 50% X (months remaining in Term Period)).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.173 Contract Offer No. 173 – MegaLink Custom Service Offer (Cont'd)

41.173.7 Termination Liability (Cont'd)

(B) Termination of Individual Subject Services or Rate Elements. If the Customer terminates individual Subject Services or rate elements prior to the completion of any applicable Service Term (other than as the result of a material breach by the Telephone Company), but this Contract Offer is not terminated and Customer continues to purchase other Subject Services hereunder, or if the Telephone Company terminates individual Subject Services or rate elements prior to the end of the applicable Service Term due to Customer's material breach of this Contract Offer, the Customer will be liable for a termination charge which shall be equal to fifty percent (50%) of the MRCs for the disconnected Subject Services or rate elements for the balance of the Service Term (MRC X 50% X (months remaining in the applicable Service Term).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer

41.174.1 General Description

This Contract Offer No. 174 – ReliaNet Service Offer - is a three (3) year access discount pricing plan that provides the Customer with discounted rates for existing ReliaNet Master Access Connections (MAC) Option B, SVO (12) and monthly billing incentive credits for specified ReliaNet, DS1 and DS3 services.
Contract Offer No. 174 is available for subscription May 24, 2011 through June 24, 2011. This Contract Offer is not renewable.

41.174.2 Service Qualifications

(A) This Contract Offer applies to access services that qualify for pricing flexibility (hereafter referred to as Subject Services), as provided in Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73:

(1) Section 6.5.1 – Switched Transport Facilities;
(2) Section 7.3.10 – High Capacity Service;
(3) Section 20 – MegaLink Custom Services; and
(4) Section 31.3 – ReliaNet Service.

(B) Subject Services provided under this Contract Offer must be:

(1) Located in the following Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs): Topeka, KS; Wichita, KS.
(2) Existing ReliaNet MAC – Opt. B, SVO (12) services.

41.174.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) The Customer must have at least five (5) existing ReliaNet MAC – Opt. B, SVO (12) in-service in each MSA described in Section 41.174.2(B).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be thirty-six (36) months commencing on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer (Subscription Date).

Upon expiration of this Contract Offer, the Subject Services provided under this Contract Offer shall be provided under the prevailing applicable monthly extension rates found in SWBT Tariff F.C.C. No. 73, Section 39.5.2.13(A)(7), unless the Customer:

(1) Selects applicable payment options in SWBT Tariff F.C.C. No. 73, Sections 39.5.2.13; or

(2) Disconnects the Subject Services.

(B) General

(1) Subject Services provided under this Contract Offer are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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 shall continue to be governed by the otherwise applicable tariff sections, except as provided herein.

(3) The Customer shall not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering (Section 42), or other discount plan (e.g. MVP).

(4) To subscribe to this Contract Offer, the Customer shall provide the Telephone Company with an LOS.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(5) Commingling shall be defined as provided in Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

(6) If the Customer terminates this Contract Offer, termination liability charges shall apply in accordance with Section 41.174.8.

(7) The Telephone Company shall provide the existing Subject Services described in 41.174.2(B) at the rates and charges described in Section 41.174.5. Shared use credits, as described in Section 33.3.2(L), will not apply.

(8) The Telephone Company shall allow for the provisioning of DS3 Switched Transport Facilities, as described in Section 6.5.1, on the Subject Services listed in Section 41.174.2(B) provided under this Contract Offer.

(9) If, as of the Subscription Date of this Contract Offer, the Customer purchases services pursuant to SWBT Tariff F.C.C. No. 73, Contract Offer No. 88, this Contract Offer shall supersede Contract Offer No. 88. The Customer will be permitted to terminate its subscription to Contract Offer No. 88 and to purchase such Subject Services pursuant to this Contract Offer without incurring termination liability under Contract Offer No. 88.

(C) Billing Incentive Credits (BIC)

The Telephone Company shall provide a monthly Billing Incentive Credit (BIC) to the Customer under this Contract Offer. The BIC shall be based on the sum of the Monthly Recurring Charges (MRCs) for the eligible BIC services on the Customer Service Record (CSR) portion of the bill, less the BIC Threshold, as described herein.

(1) Only existing services as of the Subscription Date of this Contract Offer shall be eligible for BIC.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.4 Terms and Conditions (Cont'd)

(C) Billing Incentive Credits (BIC) (Cont'd)

(2) The BIC Threshold shall be $165,000.

(3) The Telephone Company shall provide a report on a monthly basis for the BIC-eligible billing.

(4) The BIC shall be calculated by the 10th of each month, and shall be equal to the difference between the prior month's BIC-eligible billing minus the BIC Threshold, multiplied by thirty percent (30%). The Customer shall not qualify for the BIC with respect to any month for which the BIC Threshold is greater than the BIC-eligible billing. Applicable credits shall be applied to the Customer's bill within sixty (60) days of calculation.
Example: If the monthly BIC eligible billing equals $200,000, then the BIC shall be calculated as: ($200,000 – $165,000) X 30% = $10,500

(5) For purpose of this Contract Offer, the monthly BIC-eligible billing shall be based on the total MRCs appearing on the CSR portion of the Customer's bill for the following services:

Service	**Applicable USOC**
Section 6.5.1 – Switched Transport Facilities	
Entrance Facility – DS1	EF2BX
Entrance Facility – DS3 Electrical	EF2CX
Entrance Facility – DS3 Optical	EF2DX
Direct-Trunked Transport – DS1	1YTCX
Direct-Trunked Transport – DS3	1YTDX
DS3 to DS1 Multiplexing	MKW3X
Section 7.3.10 – High Capacity Service	
Channel Termination	TMECS
Channel Mileage	1L5XX
Section 20 – MegaLink Custom Service	
DS3 to DS1 Multiplexing	MKM
Section 31.3 – ReliaNet Service	
MAC Opt. B, SVO (12)	N8PBX
AC – Off-Net per DS1 Chan.	NOF14
AC – On-Net (Opt. 1) per DS1 Chan.	NOLXX
AC – On-Net (Opt. 1) per DS1 Chan.	NYAXX
AC – Intra-MAC per DS1 Chan.	NOCXX

ACCESS SERVICES

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.5 Rates and Charges

The following MRC shall apply to the ReliaNet MAC Opt. B, SVO (12) Subject Services provided under this Contract Offer.

ReliaNet	**Applicable USOC**	**MRC**
MAC Opt. B, SVO (12)	N8PBX	$4,126.88

41.88.6 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all 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, shall 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.

41.174.7 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Sections 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in (SWBT) Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.7 Assignment/Transfer (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's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 41.174.7 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.

41.174.8 Termination Liability

The termination liability language contained below applies in lieu of the termination liability language described in Section 31.3. Termination charges shall become due as of the effective date of the termination.

(A) If the Customer terminates this Contract Offer, or is not in compliance with the Terms and Conditions of this Contract Offer, the Customer shall be liable for a termination charge which shall be equal to $20,634 per month for the balance of the Term Period. The termination charge shall be calculated as $20,634 multiplied by (months remaining in Term Period).

Example: The Contract Offer is terminated after twenty-four (24) months, and has twelve (12) months remaining in the Term Period. The termination charge shall be:

$20,634 X 12 = $247,608 Termination Charge.

Upon termination of this Contract Offer, the Subject Services shall be subsequently provided under the prevailing applicable monthly extension rates found in Section 39.5.2.13(A)(7).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.174 Contract Offer No. 174 – ReliaNet Service Offer (Cont'd)

41.174.8 Termination Liability (Cont'd)

(B) If the Customer terminates individual Subject Services provided under this Contract Offer during the Term Period, the Customer shall be liable for a termination charge which shall be equal to fifty percent (50%) of the MRC for the terminated Subject Services for the balance of the Term Period. The termination charge shall be calculated as (MRC) multiplied by (months remaining in the Term Period) multiplied by 50%.

Example: The MRC equals $4,126.88, and the Subject Service is terminated after twenty-four (24) months, and has twelve (12) months remaining in the Term Period. The termination charge shall be:

($4,126.88 X 12) X 50% = $24,761.28 Termination Charge

41.175 <u>Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer</u>

41.175.1 <u>General Description</u>

Contract Offer No. 175, Special Access DS1 and DS3 Service Offer (Contract Offer No. 175), 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, BellSouth Telecommunications LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer 73, and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 156, (collectively, with this Contract Offer No. 175, Concurrently Subscribed Contract Offers). NBTC, Ameritech, BellSouth, PBTC and Southwestern Bell Telephone Company (SWBT) shall be identified herein as the "Qualified Companies." (Nx)

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 175 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 175 requires eligible Customers to make and satisfy Minimum Volumes, as defined in Section 41.175.5. The Minimum Volumes consist of certain Subject Services purchased from the SWBT Tariff F.C.C. No. 73, 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.

41.175.2 <u>Subject Services</u>

(A) This Contract Offer applies to pricing Subject Services contained in the following tariff sections: SWBT Tariff F.C.C. No. 73, Sections 6, 7 and 39 – 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 SWBT Tariff F.C.C. No. 73, Section 39 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 39 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 175.

(x) Filed under Special Permission No. 11-013 of the F.C.C.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.2 Subject Services

Table A-

MSA	
El Paso	TX
Beaumont	TX

41.175.3 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[1] 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.

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

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 25;
- BellSouth Tariff F.C.C. No. 1, 25 Contract Offer No. 73;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 203; and
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 156. (Nx)

[1]Dedicated 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.

(x) Filed under Special Permission No. 11-013 of the F.C.C.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.4 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 SWBT Tariff F.C.C. No. 73, Section 7.

(B) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in SWBT Tariff F.C.C. No. 73, 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 SWBT Tariff F.C.C. No. 73, 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.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.4 Terms and Conditions (Cont'd)

(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 41.175.5 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 SWBT Tariff F.C.C. No. 73, Contract Offer No. 137, this Contract Offer shall supersede Contract Offer No. 137. The Customer's subscription to Contract Offer No. 137 shall be terminated and "Subject Services" under Contract Offer No. 137 shall be provided pursuant to this Contract Offer. Customer shall not incur any termination liability under Contract Offers No. 137 as a result of the supersedure of Contract offer No. 137.

(8) Commingling shall be as defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(9) Credits earned under this Contract Offer No. 175 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 services 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.

41.175.5 Minimum Volume Credits

(A) The Telephone Company will issue credits to the Customer as provided in this Section 41.175.5(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.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.5 Minimum Volume Credits

(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 41.175.5.A.1, and one hundred dollars ($100) for each DS3 in excess of the Minimum Volumes identified in Section 41.175.5.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.

41.175.6 Replacement of Subject Services with Ethernet-Based Services[1]

(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 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).

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

[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

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.6 Replacement of Subject Services with Ethernet-Based services[1] (Cont'd)

(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.

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 41.175.6(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 41.175.6(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).

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1 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.

(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.

ACCESS SERVICE

41.175 Contract Offer No. 175 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.175.8 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.

ACCESS SERVICES

41.176 Contract Offer No. 176 - Special Access Wireless DS1 and DS3 Service Offer

41.176.1 General Description

This DS1/DS3 Service Offer (Contract Offer No. 176) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 41.176.3, and the Terms and Conditions in Section 41.176.4, to disconnect Subject Services, as defined in Section 41.176.2, without incurring termination liability charges. This Contract Offer is available for subscription from September 16, 2011 through October 16, 2011. This Contract Offer is not renewable.

41.176.2 Subject Services

(A) Contract Offer No. 176 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services)):

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 39.5.2.12 - DS3 MegaLink Custom Service; and

(2) SWBT Tariff F.C.C. No. 73, Section 39.5.2.7 - 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 SWBT Tariff F.C.C. No. 73, Section 39 and in the MSAs 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
Beaumont TX
Brownsville/Harlingen, TX
El Paso, TX
McAllen/Edinburg, TX
Tyler TX

ACCESS SERVICE

41.176 Contract Offer No. 176 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.176.2 Subject Services (Cont'd)

(D) Prior to the Subscription Date, as defined in Section 41.176.4(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.

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

41.176.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 176:

(A) The Customer must be operating, as of the Effective Date, no fewer than one thousand (1000) and no more than one thousand five hundred (1500) DS3 special access circuits from the Telephone Company which 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 fourteen thousand (14,000) and no more than fifteen thousand (15,000) DS1 special access circuits from the Telephone Company which terminate at Qualified Cell Sites.

(C) The Customer must be purchasing, as of the Subscription Date, no fewer than fifty (50) and no more than eighty (80) Ethernet[1] port connections purchased from the Telephone Company in connection with services that terminate at Qualified Cell Sites.

[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

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41.176 Contract Offer No. 176 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.176.4 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).

Contract Offer No. 176 is available for subscription only from September 16, 2011 through October 16, 2011.

(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 Tariff 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 SWBT Tariff F.C.C. No. 73.

(E) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Sections 2.7) of Subject Services provided pursuant to this Contract Offer No. 176 is prohibited.

(F) 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

41.176 Contract Offer No. 176 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.176.4 Terms and Conditions (Cont'd)

(G) 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[1] 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 41.176.4.

(5) Customer purchases Ethernet-based services[1] with a minimum Committed Information Rate ("CIR") of 100 Mbps at each affected Qualified Cell Site.

(H) The provisions of SWBT Tariff F.C.C. No. 73, Section 7.2.22(E), DS1 High Capacity Service Portability Commitment, shall not apply to Subject Services during the Term Period.

[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

ACCESS SERVICE

41.176 Contract Offer No. 176 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.176.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Sections 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.176.6 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.

ACCESS SERVICE

41.176 Contract Offer No. 176 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd)

41.176.6 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 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.177 Contract Offer No. 177 – Access Service Offer

41.177.1. General Description

This Special Access Service Offer (Contract Offer No. 177) 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) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39, together referred to as the "Concurrently Subscribed Contract Offers." Contract Offer No. 177 is available to any Customer with at least twenty-eight million dollars ($28,000,000) in cumulative annual recurring revenue for Contributory Services, as defined in Section 41.177.4, from purchases from the Telephone Company and the affiliated telephone companies providing services under the Concurrently Subscribed Contract Offers (the Qualified Companies). (Nx)

The Customer must meet the Eligibility Criteria set forth in Section 41.177.2, and also must comply with all Terms and Conditions of this Contract Offer. Contract Offer No. 177 requires the Customer to establish and comply with a Minimum Annual Revenue Commitment (MARC) for each year of the two (2) year Term Period, as defined in Section 41.177.6. The MARC shall include recurring revenue for all Contributory Services purchased from the Qualified Companies.

Contributory Services include Subject Services, as described in Section 41.177.4(A), and Non-Subject Services, as described in Section 41.177.4(B). 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 (AT&T Wholesale Services).

(x) Filed under the authority of Special Permission No. 11-016 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.2. Eligibility Criteria

To be eligible to subscribe to this Contract Offer, the Customer may not purchase services pursuant to the Managed Value Plan (MVP) Offering in Section 38 or any other MARC- or volume-based contract offer or contract that includes Subject Services provided under this Contract Offer.

During the calendar year prior to the Customer's subscription to this Contract Offer, the Customer's billed recurring charges for Switched Access Dedicated Transport Services shall have been no greater than one hundred twenty five thousand dollars ($125,000).

As of the date of the Customer's subscription to this Contract Offer, the Customer must be purchasing OPT-E-MAN[1] Service from the Telephone Company in ten (10) or more MSAs.

41.177.3. Concurrent Subscription (Nx)

In addition to this Contract Offer, the Customer must subscribe to the following Concurrently Subscribed Contract Offers:

(A) Ameritech Tariff F.C.C No. 2, Section 22, Contract Offer No. 206;

(B) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 158; and

(C) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 53.

(Nx)

[1] Opt-E-MAN Service is 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.

(x) Filed under the authority of Special Permission No. 11-016 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.4. 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 this Section 41.177.3.

Subject Services and Non-Subject Services shall together be known as "Contributory Services." 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.

(A) Subject Services.

(1) Subject Services are pricing-flexibility qualified access services (Subject Services) contained in the following tariff sections, as listed in Table 1, below:

Table 1- Subject Services

Service	Tariff Section	Rates & Charges Phase I	Rates & Charges Phase II
Special Access DS1 Services	7.3.10	7.3.10(F)	39.5.2.7
Special Access DS3 Services	20.4.1	20.4.3	39.5.2.12
Special Access Metallic Service	7.3.2	7.3.2 (E)	39.5.2.1
Special Access Telegraph Grade Service	7.3.3	7.3.3(E)	21.5.2.2
Special Access Voice Grade Service	7.3.4	7.3.4 (G)	21.5.2.3
Switched Access Dedicated Transport Services	6.8.1		

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.4. Contributory Services (Cont'd)

(A) Subject Services. (Cont'd)

(2) Subject Services under this Contract Offer must be located in the Pricing Flexibility MSAs listed in Table 2, below:

Table 2- Metropolitan Statistical Area ("MSA")

MSA	**STATE**
El Paso	TX
Beaumont	TX
Fort Smith	AR-OK
Memphis	AR
Kansas City	KS
Wichita	KS
Joplin	MO
Kansas City	MO
St. Louis	MO
Oklahoma City	OK
Tulsa	OK
Austin-San Marcos	TX
Dallas/Ft. Worth	TX
Houston	TX
San Antonio	TX
Waco	TX
Wichita Falls	TX
McAllen-Edinburg	TX
Brownsville-Harlingen	TX
Tyler	TX
Abilene	TX
Amarillo	TX

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.4. Contributory Services (Cont'd)

(A) Subject Services. (Cont'd)

(2) (Cont'd)

Table 2 (Cont'd)- Metropolitan Statistical Area ("MSA")

Corpus Christi	TX
Fayetteville	AR
Springdale	AR
Lawton	OK
Little Rock	AR
North Little Rock	AR
Longview	TX
Marshall	TX
Midland	TX
Lubbock	TX
Springfield	MO
Joseph	MO
Topeka	KS
San Marcos	TX

(3) If the Telephone Company is granted pricing flexibility relief in additional MSAs, any services which are listed among the Subject Services in Table 1 and which the Telephone Company provides to the Customer in those additional MSAs, may, at the Customer's option, be included as Subject Services in this Contract Offer, beginning with the first year after the Telephone Company is granted the pricing flexibility in those additional MSAs, provided, however, that the MARC will be increased to reflect the recurring revenues associated with the additional Subject Services, based on the amount of such additional recurring revenues during the three (3) months prior to the inclusion of the additional Subject Services, times four (4).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.4. Contributory Services (Cont'd)

(B) Non-Subject Services.

(1) All recurring revenue from Non-Subject Services shall be included in the MARC, but shall not otherwise be subject to the rates, or Terms and Conditions of this Contract Offer. Non-Subject Services are listed in Table 3, below.

Table 3 - Non-Subject Services

Intrastate Special Access	Equivalent VG, DS0, DS1, DS3,Services

(2) If the Telephone Company introduces a new Special Access or Switched Access service, or an enhancement to an existing Special Access or Switched Access service, then such services shall be automatically included as Non-Subject Services, and the Customer's purchases of such new or enhanced Non-Subject Services shall be included in the calculation of the MARC, subject to the Terms and Conditions set forth in this Contract Offer.

41.177.5. Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) is two (2) years, commencing on January 1, 2012. The Anniversary Date shall be the same date in the following year. Contract Offer No. 177 is not renewable.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.5. Terms and Conditions

(B) Other Terms and Conditions.

(1) Except as expressly provided to the contrary in this Contract Offer, Subject Services are subject to the rates, charges, and general terms and conditions in other sections of SWBT Tariff F.C.C. No. 73. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(2) Contract Offer No.177 is available for subscription only from November 30, 2011 to December 30, 2011.

(3) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The LOS shall identify all Customer ACNAs in effect at the time of subscription under which the Customer may order and purchase Contributory Services or Subject Services pursuant to this Contract Offer. Any services ordered or purchased under ACNAs not identified in the LOS may not be included in or transferred to this Contract Offer.

(4) The Customer shall not purchase Subject Services in this Contract Offer pursuant to any future contract offer or other agreement, unless the future contract offer or other agreement expressly permits the inclusion of such Subject Services.

(5) Commingling, as defined in SWBT Tariff F.C.C. No. 73, Section 2.7, of Subject Services under this Contract Offer is prohibited.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.5. Terms and Conditions (Cont'd)

(B) Other Terms and Conditions. (Cont'd)

(6) The Customer must pay billed charges in full throughout the Term Period, excluding amounts properly disputed. Disputed amounts will not be counted toward the Customer's satisfaction of the MARC. The Telephone Company will exhaust its remedies under SWBT Tariff F.C.C. No. 73 Section 2.5 before exercising any remedy under this Tariff to resolve disputed amounts. The Telephone Company will provide the Customer written notice (via registered letter) of non-compliance. The Customer will have thirty (30) days from receipt of the written notice to comply, which may be extended by mutual agreement of the Parties to allow the Parties to attempt to resolve any disputes. During this thirty (30) day period, or a period to be mutually agreed upon by the Parties, the Parties will cooperate in good faith to attempt to resolve any pending disputes. If, following that period, the Parties have exhausted attempts to resolve any pending disputes, or the Parties have resolved disputes and the Customer does not comply with written notice of non-compliance, the Telephone Company shall have the right to terminate this Contract Offer No. 177. In the event of termination by the Telephone Company, termination liability charges, as set forth in Section 41.177.11 will apply. Credits owed to the Customer pursuant to this Contract Offer will not be issued until the Customer has paid all billed charges (excluding disputes). Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in SWBT Tariff F.C.C. No.73 Section 2.5.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.5. Terms and Conditions (Cont'd)

(B) Other Terms and Conditions. (Cont'd)

(7) The Customer will continue to receive the benefit of rate stability, if any, for any existing Subject Services currently under a term payment plan with the Telephone Company, as provided for in the applicable tariff section from which the Subject Services were purchased.

41.177.6. Minimum Annual Revenue Commitment (MARC)

This Contract Offer requires the Customer to establish and comply with a Minimum Annual Revenue Commitment (MARC) for each year of the Term Period, as defined in this Section 41.177.6. The MARC shall be based on billed annual recurring revenue, net of any applicable discounts or credits and any other applicable credits or adjustments issued as of the time of the applicable Annual True-up Process for, in the aggregate, Contributory Services as set forth in Section 41.171.4 of this Contract Offer No.177, and the "Contributory Services" as set forth in the other Concurrently Subscribed Contract Offers (such charges collectively referred to as "MARC-Eligible Charges"), provided, however, that any credits issued pursuant to the Concurrently Subscribed Contract Offers shall not be included in determining MARC-Eligible Charges.

(A) Establishing the MARC

(1) The Customer's MARC for the first year of the Term Period shall be twenty-eight million seven hundred fifty-nine thousand dollars ($28,759,000), or four (4) times the Customer's MARC-Eligible Charges for the most recent three (3) months prior to the beginning of the Term Period, rounded to the nearest thousand dollars ($1,000), whichever is greater.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.6. Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Establishing the MARC (Cont'd)

(1) The MARC for the second year of the Term Period will be equal to the Customer's MARC-Eligible Charges during the last three (3) months of the first year of the Term Period, multiplied by four (4), or the first-year MARC, rounded to the nearest thousand dollars ($1,000), whichever is greater.

Example:
Assume that the Term Period begins on January 1, 2012, and the first-year MARC is $28,759,000. If the Customer's MARC-Eligible Charges from October 1, 2012 through December 31, 2012 are $6,000,000, the MARC for the second year of the Term Period will be $28,759,000.($6,000,000 times four equals $24,000,000. Because $24,000,000 is less than $28,759,000, the second-year MARC will be equal to the first-year MARC of $28,759,000.

(B) Failure to Achieve the MARC

(1) Quarterly Review. The Customer and the Telephone Company shall exchange information quarterly, and shall meet quarterly, if necessary, to review the Customer's progress toward achieving the MARC for the term years. The Customer and the Telephone Company will meet in the ninth month of each year of the Term Period to discuss and address, if necessary, compliance with the Terms and Conditions of the Contract Offer prior to the Anniversary Date.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.6. Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Failure to Achieve the MARC (Cont'd)

(1) Annual True-up Process. Following the completion of each year of the Term Period, the Telephone Company will review the Customer's MARC-Eligible Charges to determine whether the Customer has complied with the MARC. If the Customer fails to comply with the MARC for any year during the Term Period, determined as of the Anniversary Date, the Telephone Company will bill and Customer will pay an amount equal to the difference between the MARC and the Customer's actual billed recurring revenue for Contributory Services (Annual True-Up Amount). The True-up calculation will be performed as follows:

MARC – MARC-Eligible Revenue = Annual True-Up Amount
The Customer must pay any Annual True-Up Amount within thirty (30) days after receipt of an invoice from the Telephone Company.

(C) Credit Schedule and Application
Following each Anniversary Date, if the Customer has complied with the MARC and is otherwise in compliance with this Contract Offer, the Customer shall be eligible to receive an annual credit of seven and one-half percent (7.5%) of the portion of MARC-Eligible Charges attributable to Subject Services (only), up to a maximum of $2,250,000 for each year of the Term Period. Credits will be applied to the Customer's bill no later than ninety (90) days after each Anniversary Date.

Example: If the MARC is 28,759,000.00, and the Customer's MARC-Eligible Charges for that year are 29,000,000, the Customer will be eligible to receive a credit of $29,000,000 x 7.5% = $2,175,000.

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.7. Non-Recurring Charges

(A) Conversion of Unbundled Network Elements and Upgrades of Existing Special Access Services.

The Telephone Company will waive applicable installation non-recurring charges (NRCs) associated with the conversion of Unbundled Network Elements (UNEs) or upgrades of existing special access services to Subject Services purchased pursuant to this Contract Offer, except for Access Order charges.

(B) New Subject Services.

The Telephone Company will waive applicable installation NRCs for new Subject Services purchased pursuant to this Contract offer, except for Access Order Charges.

In the event that the installation NRCs are billed by the Telephone Company, the Customer will receive credits for these charges on a quarterly basis. The Customer must pay all other applicable NRCs, including, but not limited to, rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges, as described in SWBT Tariff F.C.C. Tariff No.73, for Subject Services pursuant to this Contract Offer.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41. 177.8. Termination Liability Waiver

The Telephone Company will waive termination liability charges for moves and/or disconnection of Subject Services, as provided in this Section 41.177.8. 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 these charges on a quarterly basis. For the Customer to receive credits, or a waiver of termination liability charges for such moves and/or disconnects, the following conditions must be met:

(A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;
(B) The Customer shall be permitted to move and/or disconnect Subject Services from any of the Concurrently Subscribed Contract Offers described in Section 41.177.3;
(C) DS1 Subject Services must have been in service for a minimum of one(1) month from the original installation date; and
(D) DS3 Subject Services must have been in service for a minimum of one (1) year from the original installation date.

41.177.9. Mergers and Acquisitions involving the Customer.

The Terms and Conditions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting the Customer or the Telephone Company. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.10. Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. Tariff No.73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. Tariff No.73, Section 2.2.1, 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 41.177.10 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.11. Termination Liability

(A) Termination Liability Charges

If this Contract Offer is terminated either (i) by Customer for any reason other than a material default by the Telephone Company, or (ii) by the Telephone Company due to Customer's material breach of this Contract Offer (including, without limitation, Customer's failure to remit any Annual True-up payment as provided in Section 41.177.6 of this Contract Offer), 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. If the Customer fails to meet any of the eligibility criteria in Section 41.177.2 or fails to comply with any of the Terms and Conditions of this Contract Offer, the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 177, and termination liability charges will apply, as stated below, and will be payable pursuant to SWBT Tariff F.C.C. Tariff No.73. The termination liability charge shall be equal to the following:

(1) One-hundred percent (100%) of all credits and/or waivers of NRCs or termination liability charges provided under this Contract Offer six (6) months immediately prior to the date of termination, plus

(2) Thirty-five percent (35%) of the MARC for the remainder of the Term Period, which amount will be pro-rated for any partial years remaining in the Term Period.

(B) This Section 41.177.11 sets forth the sole and exclusive remedies for termination of this Contract Offer No.177, except for charges due and payable for Contributory Services rendered prior to the date of termination, and any NRCs and/or termination liability charges that may become due and payable in accordance with Sections 41.177.7 and 41.177.11.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.177 Contract Offer No. 177 – Access Service Offer (Cont'd)

41.177.12. New Special Access Service Offerings.

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, the Customer will be permitted to enter into a new contract offer, or other contract 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 under this Contract Offer, provided, however, that the Customer's Contract Offer, or other contract or tariff governing the new service offerings, must include a term period and revenue.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer

41.178.1 General Description

This Special Access Service Offer (Contract Offer No. 178) is a Minimum Annual Revenue Commitment (MARC) 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. 159 and Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 26; (collectively, with this Contract Offer No. 178, referred to as "Concurrently Subscribed Contract Offers"). PBTC, NBTC, together with the Telephone Company, shall be identified herein as the "Qualified Companies. (Nx)

(Nx)

Subject to the Terms and Conditions set forth in this Contract Offer No. 178 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 178 requires eligible Customers to establish and maintain a MARC, as described in Sections 41.178.4(C) and 41.178.5.

Contract Offer No. 178 will be available for subscription only from December 20, 2011 through January 20, 2012. This offer is not renewable.

41.178.2 Subject and Non-Subject Services

Services whose charges will be included in the MARC calculations under this Contract Offer No. 178 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 SWBT Tariff F.C.C. No. 73, Section 15 (Operating Territory).

(A) Subject Services

(1) Subject Services are pricing flexibility qualified 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)	Voice Grade ("VG"), DS0, DS1, DS3, except for any rate elements not subject to pricing flexibility

(x) Issued under Authority of Special Permission No. 11-018 of F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.2 Subject and Non-Subject Services (Cont'd)

(A) Subject Services (Cont'd)

(1) Subject Services must be located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39 and those additional MSA's listed below. During the Term Period of this Contract Offer No. 178, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 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. 178.

Austin – San Marcos, TX; Brownsville-Harlingen, TX; Dallas – Ft. Worth, TX; Ft. Smith, AR-OK; Houston, TX; Joplin, MO; Kansas City, KS-MO; McAllen- Edinburg, TX; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Tyler, TX; Waco, TX; Wichita Falls, TX; Wichita, KS.

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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.2 Subject and Non-Subject Services (Cont'd)

(B) Non-Subject Services
Non-Subject Services are listed in Table B, below. (Cont'd)

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.	Voice Grade ("VG"), DS0, DS1, DS3, and any rate elements not eligible for pricing flexibility.
Broadband Interstate Special Access	[1]Optical Carrier Network ("OCN") Point-to-Point Service, Dedicated SONET Ring Service ("DSRS"), Gigabit Ethernet Metropolitan Access Network ("GigaMAN®") Service, Multi-service Optical Network ("MON") Ring Service, Optical Ethernet Metropolitan Area Network ("OPT-E-MAN®"), DecaMAN®, and Wavelength Metropolitan Area Network (WaveMAN℠). AT&T Switched Ethernet . Serial Component Video Service (SCVS), and High Definition Video Transport (HDVT)
Long Distance Voice Service	Long Distance Voice Service as described in Section 41.178.5(C), below

(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 No. 178 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.

[1]OCN PTP, DSRS, MON, GigaMAN®, DecaMAN®, Opt-E-MAN®, WaveMAN℠, AT&T Switched Ethernet, Serial Component Video (SCVS) and High Definition Video Transport (HDVT) 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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.2 Subject and Non-Subject Services (Cont'd)

(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 No. 178.

41.178.3 Eligibility Criteria
The following Eligibility Criteria apply to this Contract Offer No. 178:

(A) 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 41.178.4(C), below) during those twelve (12) months equal to no less than sixty-five million dollars ($65,000,000).

(B) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers: (Nx)
- NBTC Tariff F.C.C. No. 1, Contract Offer No. 26;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 159; and
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 178. (Nx)

(C) The Customer must be subscribed to the Managed Value Plan (MVP), located in Section 38 of the SWBT Tariff F.C.C. No. 73, as of September 25, 2011. If the Customer's MVP is still in effect as of the date of the Customer's subscription to this Contract Offer, this Contract Offer will supersede the MVP upon Customer's subscription, and the MVP will be terminated without liability.

(D) At the time of subscription to this Contract Offer, the Customer must be purchasing a single TDM-based long distance voice service, and/or a single Internet Protocol-based long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet,[1] which service must generate a minimum of four million five hundred thousand dollars ($4,500,000) in recurring charges annually.

[1] 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/

(x) Issued under Authority of Special Permission No. 11-018 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 178:

(A) Subscription.

To subscribe to Contract Offer No. 178, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all qualifying Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 178 (hereafter referred to as "Eligible ACNAs"). Subject Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 178.

(B) Term Period

The term of this Contract Offer No. 178 (Term Period) shall begin on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer, referred to as the "Subscription Date". The Term Period shall end twenty-nine (29) months after the Subscription Date, subject to extension, as provided in this Section 41.178.4(M)(1), below.

Each period of twelve (12) consecutive months during the Term Period, beginning with the Subscription Date, shall be referred to as a "Term Year," except that Term Year 3 shall consist of five (5) months, i.e., the twenty-fifth (25th) through twenty-ninth (29th) months after the Subscription Date, and the extension year, if any, shall consist of twelve (12) months, i.e., the thirtieth (30th) through forty-first (41st) months after the Subscription Date.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.4 Terms and Conditions (Cont'd)

(C) The Customer must satisfy a MARC, as further described in Section 41.178.5(A), for each Term Year of this Contract Offer No. 178. The MARC shall be based on billed recurring revenue, net of any applicable discounts or credits and any other applicable credits or adjustments issued as of the time of the applicable Annual True-up Process for, in the aggregate, the Subject Services and Non-Subject Services set forth in Section 41.178.2 of this Contract Offer No. 178, and the "Subject Services" and "Non-Subject Services" set forth in the other Concurrently Subscribed Contract Offers (such charges collectively referred to as "MARC-Eligible Charges"), provided, however, that any credits issued pursuant to the Concurrently Subscribed Contract Offers shall not be included in determining MARC-Eligible Charges. The MARC-eligible services, as set forth in Section 41.178.2 of this Contract Offer No. 178, and the MARC-eligible services similarly set forth in the other Concurrently Subscribed Contract Offers, are collectively referred as the "MARC-Eligible Services." MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. Notwithstanding the foregoing, if any MARC-Eligible Charges are subject to disputes that have not been resolved at the time of the applicable Annual True-Up Process, such charges will be included in MARC-Eligible Charges for purposes of that Annual True-Up, but charges or credits affected by the dispute shall be adjusted upon resolution of the dispute, in a manner consistent with such resolution.

(D) Credits earned by the Customer under this Contract Offer No. 178 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.178.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.4 Terms and Conditions (Cont'd)

(E) MARC-eligible services under this Contract Offer No. 178 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, or other individually negotiated tariff or agreement (referred to as "Other Commitment Agreement") that includes any minimum volume or revenue commitment, unless either: (i) any 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, or (ii) the Customer purchased services pursuant to the MVP prior to its subscription to this Contract Offer and any Other Commitment Agreement was effective during the period in which the Customer purchased services pursuant to the MVP. 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.

(F) Credits provided under this Contract Offer No. 178 will not be issued unless and until the Customer has paid all billed charges for MARC-Eligible Services due and owing(excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer.

(G) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. No. 73 (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. 178.

(H) Commingling is defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided pursuant to this Contract Offer No. 178 is prohibited.

(J) Subject Services shall be subject to the otherwise applicable rates, terms and conditions of SWBT Tariff F.C.C. No. 73, as modified from time to time, except as provided in this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.4 Terms and Conditions (Cont'd)

(K) Extension of Term Period or Negotiation of Replacement. The Term Period may be extended by one year, or the rates, terms and conditions for a replacement to this Contract Offer may be negotiated, as provided herein. If the Customer wishes to extend the Term Period or negotiate a replacement to this Contract Offer, the Customer must notify the Telephone Company, in writing, no later than twenty-three (41) months after the Subscription Date and must state whether it wishes to: (a) extend the Term Period, or (b) negotiate a replacement.

(1) If the Customer requests an extension of the Term Period, the Customer's request will be subject to the approval of the Telephone Company. The Telephone Company shall either accept or reject the Customer's request, in writing, no more than sixty (60) days after receipt of the Customer's request. If the Telephone Company fails to respond within sixty (60) days after receiving the request, the request shall be deemed to have been accepted. The extension, if any, must apply to all of the Concurrently Subscribed Contract Offers.

(2) If the Customer requests to negotiate a replacement to this Contract Offer, the parties will negotiate in good faith to enter into such a replacement.

(L) Replacement of DS1 with Ethernet[1]-Based Services:

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 twelve (12) months prior to termination.

(2) The Subject Service must have been replaced by Ethernet[1]-based service provided to the Customer by the Telephone Company at the same end user location with Ethernet[1] bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service).

[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 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.4 Terms and Conditions (Cont'd)

(L) Replacement of DS1 with Ethernet[1]-Based Services: (Cont'd)

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

(M) This Section 41.178.4(M) shall apply to Subject Services purchased under the DS1 High Capacity Service Portability Commitment, as described in Section 7.2.22 (E) of SWBT Tariff F.C.C. No. 73. The Customer will be eligible for a reduction to its Commitment Level (CL), as defined in this Section 7.2.22 (E) without such Termination Liability as would otherwise apply to a decrease in the Customer's CL, as provided below:

(1) A CL reduction shall be available only if and when the Customer's total number of in-service DS1 Channel Terminations falls below eighty percent (80%) of the Customer's then-current CL.

(2) Only DS1 Channel Terminations that are disconnected and replaced by Ethernet[1]-based services purchased from the Telephone Company, as provided in Section 41.178.4(L) may be taken into account in any reduction of the Customer's CL.

(3) Any reduction to the Customer's CL will apply only during the three (3) year term of the Customer's Portability Commitment, as was in effect as of the date of the Customer's subscription to this Contract Offer. As clarification, but not to modify the foregoing, any new Portability Commitment or renewal of a previously existing Portability Commitment shall not be eligible for a CL reduction under this Contract Offer.

[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 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment and Calculation of the MARC. The MARC for each Term Year of this Contract Offer shall be as follows:

(1) For Term Year 1, the greater of: (a) eighty-two million dollars ($82,000,000), or (b) the lesser of the amount of recurring revenue billed to the Customer by the Qualified Companies, net of any applicable discounts or credits or billing adjustments for those services identified as Subject Services or Non-Subject Services in Section 41.178.2 of this Contract Offer and those services identified as "Subject Services" and "Non-Subject Services" in the Concurrently Subscribed Contract Offers, during the three (3) months immediately prior to the Subscription Date, times four (4) or during the previous month immediately prior to the Subscription Date, times twelve (12).

(2) For Term Year 2, the greater of: (a) seventy-four million seven hundred thousand dollars ($74,700,000), or (b) eight and one-half percent (8.5%) less than the Term Year 1 MARC;

(3) For Term Year 3, the greater of: (a) twenty-eight million two hundred thousand dollars ($28,000,000), or (b) thirty-seven percent (37%) of the Year 2 MARC.

(4) For the extension year, if any, two and four tenths (2.4) times the Year 3 MARC.

(B) MARC Calculations
Satisfaction of the MARC shall be determined according to MARC-Eligible Charges (defined in Section 41.178.4(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) The Customer may include in MARC-Eligible Charges recurring revenue attributable to 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,[1] provided that recurring revenues attributable to such service may represent no more than the percentage of the MARC applicable during the relevant Term Year identified in Table C, below.

[1] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) (Cont'd)

Table C

PERIOD	The long distance voice service described in Section 41.178.5(C) above, cannot contribute more than the following amount to the MARC
Term Month 1 – Month 12	6.00%
Term Month 13 - Month 24	6.02%
Term Month 25 - Month 29	6.74%
Extension Year, Month 30 – Month 41 if applicable	6.74%

(D) Failure to Satisfy the MARC

If the Customer fails to satisfy the MARC, as determined in the Annual True-Up Process, the Qualified Companies shall bill and the Customer shall pay the amount of the Annual Shortfall, as applicable, as provided in Sections 41.178.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 178 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 Annual True-Up, including making any payments or applying any credits resulting therefrom within ninety (90) days after the end of each Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits

(A) Monthly MARC Credits

During Term Year 1 and Term Year 2 of the Term Period (only) for each month of a Term Year, the Customer may be 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 Term Year 1 or Term Year 2 (only) in which the Customer's MARC Eligible Charges are sufficient to satisfy one-twelfth (1/12) of the MARC for that Term Year (Monthly MARC). Any MMC will be issued in arrears, within sixty (60) days after the end of the month in which the Customer qualified for the MMC. If the Customer has not met the Monthly MARC during a month, no MMC will be issued for that month, but the Customer may be eligible to receive such MMC in conjunction with the Annual True-Up process, as provided below. The amount of the MMC, by Term Year, is provided in Table D, below.

Any MMC shall be allocated between this Contract Offer No. 178 and the other Concurrently Subscribed Contract Offers in proportion to billing for MARC-Eligible Charges during the relevant month. The MMC will be applied to the Customer's bill no later than sixty (60) days after the end of each month in which the Monthly MARC was satisfied.

MMCs shall not be issued if the Customer is in material breach of this Contract Offer No. 178 or the other Concurrently Subscribed Contract Offers, 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.

Table D

Term Year	**Maximum Annual MMC**
Term Month 1 – Month 12	11.1% of the MARC
Term Month 13 - Month 24	$6.1M
Term Month 25 - Month 29	$0
Extension Year, Month 30 – Month 41 if applicable	$0

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(B) Monthly Incentive Credits.

For each month during the Term Period, the Customer may be eligible for a single monthly incentive credit under, collectively, this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly Incentive Credit" or "MIC").

(1) If, for Term Year 2 or the extension Term Year, if any, of the Customer's MARC-Eligible Charges during any month are sufficient to satisfy the Monthly MARC applicable during a prior Term Year, the Telephone Company will issue to the Customer a MIC in an amount equal to: (a) one-twelfth (1/12) of the Maximum Annual MMC, as shown in Table D, for which the Customer was eligible during the Term Year that corresponds to the greatest prior-year MARC for which the Customer satisfied the corresponding Monthly MARC, less (b) any MMC earned by the Customer for that month.

Example: During Term Year 2, the Customer's MARC is $82 million, and the Customer's MARC-Eligible Charges for a given month are $6.9 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 Monthly MARC. ($6.9 million x 12 = $82.8 million.) Because the Customer's MARC-Eligible Charges are also sufficient to satisfy the Term Year 2 Monthly MARC, the Customer will have earned an MMC of $508,000 for that month. ($6.1 million ÷ 12 = %508,000.) The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 1, less the MMC actually credited for the relevant month in Term Year 2. The MIC will be $250,000. (Step 1: $82 million x 11.1% = $9.1 million. Step 2: $9.1 million ÷ 12 = $758,000. Step 3: $758,000 - $508,000 = $251,000.)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(B) Monthly Incentive Credits (Cont'd)

(1) If, for Term Year 3, the Customer's MARC-Eligible Charges are equal to, or greater than, the Monthly MARC for Term Year 1, the Telephone Company will issue to the Customer a MIC equal to one twelfth (1/12) of the Maximum Annual MMC applicable to Term Year 1

Example: During Term Year 3, the Customer's MARC-Eligible Charges for a given month are $6.9 million. The Term Year 1 MARC was $82 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 Monthly MARC. ($82 million ÷ 12 - $6.83 million.) No MMC applies in Term Year 3. The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 1. The MIC will be $758,000. (Step 1: $82 million x 11.1% = $9.1 million. Step 2: $9.1 million ÷ 12 = $758,000.)

(2) If, for Term Year 3, the Customer's MARC-Eligible Charges are equal to or greater than the Monthly MARC for Term Year 2, but are not equal to or greater than the Monthly MARC for Term Year 1, the Telephone Company will issue to the Customer a MIC equal to one twelfth (1/12) of the Maximum Annual MMC applicable to Term Year 2

Example: During Term Year 3, the Customer's MARC-Eligible Charges for a given month are $6.25 million. The Term Year 2 MARC was $74.7 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 2 Monthly MARC, but not the Term Year 1 Monthly MARC. ($74.7 million ÷ 12 = $6.41 million. $82 million ÷ 12 - $6.83 million.) No MMC applies in Term Year 3. The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 2. The MIC will be $690,000. (Step 1: $74.7 million x 11.1% = $8.29 million. Step 2: $8.29 million ÷ 12 = $690,000.)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(C) Above the MARC Credits. If the Customer exceeds the Year 1 MARC in any Term Year, including the extension year, if any, the Telephone Company will issue to the Customer an "Above the MARC Credit" equal to fifteen percent (15%) of the Customer's MARC-Eligible Charges in excess of the Year 1 MARC.

Example: In Year 1, if MARC-Eligible Charges were $85,000,000, then the Telephone Company will issue to the Customer a credit of 15% X ($85,000,000 - $82,000,000) = $450,000.

(D) One-Time Credit. The Customer will earn a one-time credit equal to 2.7% of the Year 1 MARC upon subscription to this Contract Tariff and the Concurrently Subscribed Contract Tariffs.

(E) Annual True-up Process

(1) Annual Shortfall. If, at the end of a 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 (a) the MARC, and (b) the Customer's MARC-Eligible Charges 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 a credit in the amount of the difference between the Maximum Annual MMC identified in Table D, above, and the total MMCs issued to the Customer for that Term Year, provided however, that the Telephone Company may, subject to the agreement of the Customer, offset all or part of such credit against all or part of such Annual Shortfall in lieu payment of the full amount of the Annual Shortfall.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(E) Annual True-up Process (Cont'd)

(2) Annual True-Up of MMC. 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 in the amount of the difference, if any, between the Maximum Annual MMC identified in Table D, above, and the total MMCs issued to the Customer for that Term Year.

Example: During Term Year 1, the Customer's MARC is \$82 million. The Customer has earned \$7.58 million in MMC Credits during Term Year 1. At the end of Term Year 1, the Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 MARC. The Telephone Company will issue to the Customer an additional credit of \$1.52 million. (Step 1: \$82 million x 11.1% = \$9.1 million. Step 2: \$9.1 million - \$7.58 million = \$1.52 million.)

(3) Annual True-Up of MIC

(a) If, for Term Year 2 or the extension Term Year, if any, the Telephone Company has issued any MIC to the Customer, then at the end of the Term Year, the Telephone Company will issue to the Customer an additional credit or a debit, as applicable, equal to the difference between: (i) the total amount of all MMC and MIC issued during the Term Year subject to the Annual True-Up (such MMC and MIC to be referred to collectively as "Issued Monthly Credits"), and (ii) the Maximum Annual MMC identified in Table D, above, for the Term Year corresponding with the greatest MARC met or exceeded by the Customer's MARC-Eligible Charges for the year subject to the Annual True-Up (such Maximum Annual MMC to be referred to as "Achieved MARC Credit").

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(E) Annual True-up Process (Cont'd)

(3) Annual True-Up of MIC (Cont'd)

(a) (Cont'd)

Example 1: During Term Year 2, the Customer has earned \$6.1M in MMC and \$2.1M in MIC during the Term Year. The MARC for Term Year 1 was \$82M, and the MARC for Term Year 2 is \$74.7M. At the end of Term Year 2, the amount of the Customer's MARC-Eligible Charges is \$79.7M. That amount is sufficient to satisfy the Term Year 2 MARC, but not the higher Term Year 1 MARC. The Customer will be billed for the difference between the Issued Monthly Credits and the Achieved MARC Credit (for Term Year 2), which is \$2.1M.

Example 2: During Term Year 2, the Customer has earned \$6.1M in MMC and \$2.25M in MIC during the Term Year. The MARC for Term Year 1 was \$74.7M, and the MARC for Term Year 2 is \$82M. At the end of Term Year 2, the amount of the Customer's MARC-Eligible Charges is \$82.5M. That amount is sufficient to satisfy the Term Year 1 MARC. The Telephone Company will issue to the Customer an additional credit equal to the difference between the Issued Monthly Credits and the Achieved MARC Credit (for Term Year 1), which is \$0.75M.

(b) If, for Term Year 3, the Telephone Company has issued any MIC to the Customer, then at the end of the Term Year, the Telephone Company will issue to the Customer an additional credit or a debit, as applicable, equal to the difference between: (i) the Issued Monthly Credits for Term Year 3, and (ii) five-twelfths (5/12) of the Maximum Annual MMC identified in Table D, above, for the Term Year corresponding with the greatest MARC for which five twelfths (5/12) of such MARC is met or exceeded by the amount of the Customer's MARC-Eligible Charges for Term Year 3.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.6 Credits (Cont'd)

(E) Annual True-up Process (Cont'd)

(3) Annual True-Up of MIC (Cont'd)

(b) (Cont'd)

Example 1: During Term Year 3, the Customer has earned $0 in MMC and $1.5M in MIC during the Term Year. The MARC for Term Year 1 was $82M, the MARC for Term Year 2 was $74.7M, and the MARC for Term Year 3 is $28.2M. At the end of Term Year 3, the amount of the Customer's MARC-Eligible Charges is $29.2M. That amount is sufficient to satisfy the Term Year 3 MARC but not five-twelfths (5/12) of the Term Year 2 MARC. The Customer will be billed for the difference between the Issued Monthly Credits during Term Year 3 and the Maximum Annual MMC for Term Year 3, which is $1.5M.

Example 2: During Term Year 3, the Customer has earned $0 in MMC and $1.5M in MIC during the Term Year. The MARC for Term Year 1 was $82M, the MARC for Term Year 2 was $74.7M, and the MARC for Term Year 3 is $28.2M. At the end of Term Year 3, the amount of the Customer's MARC-Eligible Charges is $31.2M. That amount is sufficient to satisfy the Term Year 3 MARC and five-twelfths (5/12) of the Term Year 2 MARC, but not five-twelfths (5/12) of the Term Year 1 MARC. The Telephone Company will issue to the Customer an additional credit equal to the difference between the Issued Monthly Credits and five twelfths (5/12) of the Maximum Annual MMC for Term Year 2, which is $1.0M.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.7 Service Level Assurance

(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 Telephone Company, as provided below. SLA benchmark measurements will be calculated in the aggregate, for all DS1 and DS3 Interstate Special Access Services provided to the Customer by the Qualified Companies, for each Term Year. SLA benchmark measurements will be calculated according to the Telephone Company's 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. 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 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.7 Service Level Assurance (Cont'd)

(B) SLA Measurements and Benchmarks. If the Telephone Company fails to achieve the benchmarks set forth in Table E, below, SLA Credits shall apply as provided in Section 41.178.7(C), below.

Table E—SLA Measurements and Benchmarks

Measurement	Benchmark
MTTR	5.5 hours
On Time Delivery	93%
New Circuit Failure Rate	4%
Repeat Reports within 30 Days	16%

(C) SLA Credits. Within ninety (90) days after the end of each Term Year, the Telephone Company will provide the Customer with a report of performance for the SLA measurements set forth in this Contract Offer. If the Telephone Company fails to achieve the benchmarks in this Contract Offer, the Qualified Companies will issue SLA Credits to the Customer as set forth in Table F, 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 F—SLA Performance Credits

Measurement	Credit if Benchmark Not Achieved Met
MTTR	$75,000
On Time Delivery	$75,000
New Circuit Failure Rate	$75,000
Repeat Reports within 30 Days	$75,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.8 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 178 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. 178 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. 178 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. 178 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. 178 and the other Concurrently Subscribed Contract Offers; any assignment or transfer by the Customer shall be subject to the provisions of Section 41.178.7(B), below, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 178 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 178 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 41.178.7(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.8 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 41.178.7(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.9 Mergers/Acquisitions and Sales/Divestitures

All provisions of this Contract Offer No. 178 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. 178 for any purpose unless Customer chooses to include such services based on invocation of a Counting Request below. 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 eligible for any credits provided under this Contract Offer or be included in any calculations performed for purposes of this Contract Offer, including, without limitation, calculations regarding MARC-Eligible Services, MARC-Eligible Charges or satisfaction of the MARC, except as provided below:

Revenue from the acquired or acquiring company may be included in this Contract Offer, upon request from the Customer, subject to the following Terms and Conditions:

(A) Revenue attributable to the acquired or acquiring company would be included in calculations for the purpose of satisfaction of the MARC and determination of any shortfall, as provided in Section 41.178.5 of this Contract Offer, but will not be included in calculations regarding any credits provided under this Contract Offer, as provided in Section 41.178.6; and

(B) The Customer must maintain an Access Service Ratio of ninety-five percent (95%) or greater, calculated as described below, for services purchased by the Customer in the MSAs identified in Section 41.178.2(A)(2) of this Contract Offer.

The Access Service Ratio is calculated as follows:

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

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.9 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(B) (Cont'd)

(1) Access Revenue is the Customer and its affiliates' interstate recurring billed revenue associated with the rate elements defined in Table G, below:

Table G:

Service	**SWBT Tariff F.C.C. No.73,**
DS1 and DS3 Services	Section 7 and 39
OCN PTP[1]	See footnote
SONET[1] Services	See footnote

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

[1] OCN PTP and SONET 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.9 Mergers/Acquisitions and Sales/Divestitures (Cont'd)
(B) (Cont'd)
(2) (Cont'd)

Table G

Service Level	**Associated Rate Elements Not Included in Interstate Tariff**
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**
[1]OC-3 OC-12 OC-48	**[1]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 Transport Products	**Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport**

[1] OC-3, OC-12, and OC-48 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.178 Contract Offer No. 178 – Access Service Offer (Cont'd)

41.178.9 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(B) (Cont'd)

(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(s) under which the Customer obtains service.

41.178.10 Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 178 or 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. 178 or one of the other Qualified Companies terminates its other Concurrently Subscribed Contract Offers as a result of a material breach by the Customer, then this Contract Offer No. 178 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge in the aggregate amount as follows:

(A) If termination occurs during the first eighteen (18) months after the Subscription Date, the termination liability charge will be equal to (i) one hundred percent (100%) of all credits issued under the Concurrently Subscribed Contract Offers for the last six (6) months prior to the date of termination (if any credits have been earned but not issued, they would not be issued), any MIC earned for the previous Term Year, and any Above the MARC –Credits earned for the previous Term Year, plus (ii) twenty-five percent (25%) of the MARCs applicable for the remainder of the Term Period, pro-rated according to the amount of time remaining in each Term Year.

(B) If termination occurs during the nineteenth (19th) month of the Term Period or later, the termination liability charge will be equal to one hundred percent (100%) of all credits issued under the Concurrently Subscribed Contract Offers for the last six (6) months prior to the date of termination (if any credits have been earned but not issued, they would not be issued), any MIC earned for the previous Term Year, and any Above the MARC Credits earned for the previous Term Year.

The Customer shall pay any termination liability charges no later than thirty (30) days after notice by the Telephone Company. Any termination liability charge due under the Concurrently Subscribed Contract Offers shall apply in addition to, and shall not affect, any termination liability charges that may otherwise apply according to the terms of any applicable SWBT Tariff F.C.C. No. 73.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.179 Contract Offer No. 179 – DS1/DS3 Service Offer

41.179.1 General Description

DS1/DS3 Service Offer (Contract Offer No. 179) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 41.179.3, and the Terms and Conditions in Section 41.179.4, to disconnect Subject Services, as defined in Section 41.179.2, 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.

41.179.2 Subject Services

(A) Contract Offer No. 179 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Sections 6, 7 and 39 - 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 SWBT Tariff F.C.C. No. 73, Section 39. 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.

41.179.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 179 discounted rates:

(A) The Customer must be purchasing, as of the Subscription Date, no fewer than three thousand one hundred and fifty (3,150) and no more than three thousand eight hundred and fifty 3,850) 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 one hundred and eighty five (185) and no more than two hundred thirty five (235) DS3 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.179 Contract Offer No. 179 – DS1/DS3 Service Offer (Cont'd)

41.179.4 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 SWBT Tariff F.C.C. No. 73.

(E) Commingling (as defined in SWBT Tariff F.C.C. No. 73, Section 2.7) of Subject Services provided pursuant to this Contract Offer No. 179 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.179 Contract Offer No. 179 - DS1/DS3 Service Offer (Cont'd)

41.179.4 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[1] 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 41.179.4(G).

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

[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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.179 Contract Offer No. 179 – DS1/DS3 Service Offer (Cont'd)

41.179.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.179.5 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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.179 Contract Offer No. 179 - DS1/DS3 Service Offer (Cont'd)

41.179.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.180 Contract Offer No. 180 – DS1 Service Offer

41.180.1 General Description

The Special Access Service Offer (Contract Offer No. 180) is an access pricing plan. Contract Offer No. 180 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.180.5. MARC-eligible services are described in Section 41.180.2.

To receive credits under this Contract Offer, the Customer must meet the Eligibility Criteria described in Section 41.180.3, and must comply with all other terms and conditions in this Contract Offer.

Contract Offer No. 180 will be available for subscription only from July 6, 2012 through August 6, 2012.

41.180.2 Contributory Services

(A) The MARC shall include revenue from all Contributory Services purchased from the Telephone Company. Subject Services and Non-Subject Services shall together be known as "Contributory Services." 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.

(1) Subject Services are pricing-flexibility qualified access services (contained in the following tariff sections)(Subject Services) listed in Table A, below:

Table A – Subject Services

Category	**Subject Services**
Interstate Special Access	Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Sections 7.3.10 and 39 - 1.544 Mbps High Capacity Service (DS1); SWBT Tariff F.C.C. No. 73, Sections 20.1 and 39 - 44.736 MegaLink Custom Service (DS3)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.2 Contributory Services (Cont'd)

(A) (Cont'd)

(2) All Subject Services must be located in MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in as listed in Table B below.

Table B - Subject Services

MSA	STATE
Oklahoma City	OK
Tulsa	OK
Austin-San Marcos	TX
Dallas-Fort Worth	TX
Houston	TX
San Antonio	TX

(B) Non-Subject Services

Non-Subject Services are listed in Table C, below. All recurring revenue from Non-Subject Services shall be included in the calculation of the MARC and MARC Revenue (as defined in this Contract Offer), but shall not otherwise be subject to the rates, terms and conditions of this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.2 Contributory Services (Cont'd)

(B) Non-Subject Services (Cont'd)

Table C – Non-Subject Services

Category	Non-Subject Services
Any Interstate Special Access Service rate elements located in the Pricing Flexibility MSAs in Table B but not subject to pricing flexibility relief.	1.544 Mbps High Capacity Service (DS1) and 44.736 Mbps MegaLink Custom Service (DS3)
Intrastate Special Access	Intrastate services equivalent to the interstate services listed above as Subject Services
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]

[1] Interstate 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 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.3 Eligibility Criteria

The following Eligibility Criteria must be met to subscribe to Contract Offer No. 180:

(A) As of Effective Date of this Contract Offer No. 180 the Customer is required to be purchasing Subject Services in the MSAs listed in Table B, above.

(B) As of the Effective Date of this Contract Offer, the Customer may not be purchasing more than 2,500 interstate special access DS1 circuits from the Telephone Company, collectively, in all of the MSAs identified in Table B, above.

41.180.4 General Terms and Conditions

(A) Subscription

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

The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer. 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 (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the Letter of Subscription (LOS) from the Customer (Subscription Date). After the expiration of the Term Period, the rates, terms and conditions of this Contract Offer shall no longer apply, except as expressly provided to the contrary in this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.4 General Terms and Conditions (Cont'd)

(C) Service Term

Each DS1 Subject Service shall be purchased subject to a five (5) year Term Payment Plan as described in SWBT Tariff F.C.C. No. 73, Sections 7.3.10 (F) (10.4) or 39.5.2.7.1(E). Each DS3 Subject Service shall be purchased subject to a five (5) year Term Plan, as described in SWBT Tariff F.C.C. No. 73, Sections 20.5 or 39.5.2.12.1. For Subject Services installed prior to the Subscription date, the service terms shall begin on the Subscription Date. For Subject Services installed after the Subscription Date, the service terms shall begin on the date each such Subject Service is placed in service.

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 of the applicable tariff rate plan as described above. Subject Services whose Service Terms expire concurrently with the expiration of the Term Period shall subsequently be provided under the prevailing applicable monthly rates described in Sections 7.3.10(F) or 39.5.2.7.1 for DS1 Subject Services and monthly extension rates described in Sections 20.5 or 39.5.2.12.1 for DS3 Subject Services, unless the Customer selects another applicable Term Pricing Plan or other applicable rate, or disconnects the service.

(D) "Commingling" shall be as defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services purchased under this Contract Offer is not permitted.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.4 General Terms and Conditions (Cont'd)

(E) The Customer shall not purchase Subject 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.

(F) Except as provided to the contrary in this Contract Offer, Subject Services will be provided according to the rates, terms and conditions of the otherwise applicable tariff sections.

41.180.5 Minimum Annual Revenue Commitment (MARC)

(A) This Contract Offer requires the Customer to satisfy 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 and any adjustments for overbilling, under-billing and billing dispute settlements, with respect to Contributory Services ("MARC Revenue"). As clarification, but not to modify the foregoing sentence, non-recurring charges shall not be included in MARC Revenue. The MARC will be as provided in Section 41.180.5 (A).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.5 Minimum Annual Revenue Commitment (MARC)

(A) (Cont'd)

The MARC for each Term Year shall be equal to the greater of: (i) two million five hundred thousand dollars ($2,500,000), or (ii) four (4) times the Customer's MARC Revenue during the most recent three (3) months prior to the Subscription Date.

(B) Failure to Achieve the MARC

If, for any Term Year, the Customer fails to satisfy the MARC, the Customer shall pay a True-Up Payment as provided in Section 41.180.5 (C), below. If the Customer fails to make an Annual 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 41.180.10, below.

(C) Annual True-Up

The Telephone Company shall determine the Customer's total MARC Revenue 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 ninety (90) days after the Telephone Company provides notice of the amount of the True-Up Payment to the Customer. The True-Up Payment will be calculated as follows:

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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.6 Portability

Upon subscription to this Contract Offer, the Customer shall also subscribe to the DS1 Term Payment Plan, including the DS1 High Capacity Service Portability Commitment, as provided in Section 7.2.22(E). The Customer's initial Commitment Level (CL) will be determined as of the Subscription Date. Notwithstanding any provisions to the contrary in the DS1 High Capacity Service Portability Plan, the Customer's CL may be reduced during the Term Period, as further provided below.

(A) A CL reduction shall be available only if and when the total number of DS1 Channel Terminations being purchased by the Customer falls below eighty percent (80%) of the Customer's then-current CL.

(B) Only DS1 Subject Service Channel Terminations that have been replaced by Ethernet-based services purchased from the Telephone Company at the same end user location with no lapse in billing may be taken into account in any reduction of the Customer's CL.

(C) To obtain a CL reduction, the Customer must submit a written request to the Telephone Company, directed to both the Customer's account manager and the access service center.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.6 Portability (Cont'd)

(A) The amount of any reduction to the Customer's CL shall be determined by subtracting the number of DS1 Subject Services that have been replaced by Ethernet-based services provided by the Telephone Company from the greater of: (i) the Customer's CL as of the time of the Customer's request for a CL reduction, or (ii) the actual number of the Customer's in-service DS1 Channel Terminations as of the time of the Customer's request for a CL reduction.

Example 1: The Customer's CL is initially determined to be 2,000 DS1 Channel Terminations. The Customer then replaces 500 DS1 Subject Service Channel Terminations with Ethernet-based service purchased from the Telephone Company. This leaves the Customer with 1,500 in-service DS1 Channel Terminations, which is 100 Channel Terminations less than 80% of the Customer's CL. (80% of 2,000 equals 1,600.) Upon Customer's written request, the Telephone Company will decrease the Customer's CL to 1,500 channel terminations.

Example 2: The Customer's CL is initially determined to be 2,000 DS1 Channel Terminations. The Customer then replaces 300 DS1 Subject Service Channel Terminations with Ethernet-based services provided by the Telephone Company. The Customer is not eligible for a reduction in its CL, because the Customer's in-service DS1 Channel Terminations still exceed 80% of the Customer's CL.

[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 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.7 Rates

The Telephone Company will initially bill the Customer according to the otherwise applicable sixty (60) month Term Payment Plan Monthly Recurring Charges ("TPP MRCs"). The Customer will then be credited in an amount equal to the difference between the otherwise applicable TPP 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 TPP MRC rates, but will not be included in the credits applied to the Customer's bill.

Table D

Rate Elements	Zone	USOC	Rate
Channel Termination	1	TMECS	$92.00
Channel Termination	2	TMECS	$100.00
Channel Termination	3	TMECS	$110.00
Interoffice Mileage – 1 Channel Mileage Fixed and 1-10 miles	1	1L5XX	$60.00
Interoffice Mileage – 1 Channel Mileage Fixed and 1-10 miles	2	1L5XX	$65.00
Interoffice Mileage - 1 Channel Mileage Fixed and 1-10 miles	3	1L5XX	$70.00
Interoffice Mileage – 1 Channel Mileage Fixed and 11-20 miles	1	1L5XX	$180.00
Interoffice Mileage – 1 Channel Mileage Fixed and 11-20 miles	2	1L5XX	$165.00
Interoffice Mileage - 1 Channel Mileage Fixed and 11-20 miles	3	1L5XX	$170.00
Interoffice Mileage – 1 Channel Mileage Fixed and 21-30 miles	1	1L5XX	$260.00
Interoffice Mileage – 1 Channel Mileage Fixed and 21-30 miles	2	1L5XX	$265.00
Interoffice Mileage - 1 Channel Mileage Fixed and 21-30 miles	3	1L5XX	$270.00
Central Office Multiplexer DS1 to DS0	1	MQ1/QMU	$180.00
Central Office Multiplexer DS1 to DS0	2	MQ1/QMU	$165.00
Central Office Multiplexer DS1 to DS0	3	MQ1/QMU	$170.00

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.8 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.9 Mergers and Acquisitions

The terms and conditions of Contract Offer No. 180 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for services of the other company involved in the merger or acquisition will not be eligible for inclusion in this Contract Offer, including any calculations with respect to the MARC.

41.180.10 Termination Liability

(A) If this Contract Offer is terminated either (i) by Customer for any reason other than a material default by the Telephone Company, or (ii) by the Telephone Company due to Customer's material breach of this Contract Offer (including, without limitation, Customer's failure to remit any Annual True-up payment as provided in Section 41.180.5(C) of this Contract Offer), 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. The termination liability charge shall be equal to the following:

(1) If terminated in Year 1, 10 percent of the MARC for the remaining portion of Year 1, plus 10 percent of the MARC for the remaining years of the Term Period.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.10 Termination Liability (Cont'd)

(A) (Cont'd)

(2) If terminated in Year 2, 12.5 percent of the Year 2 MARC for the remaining portion of Year 2, plus 12.5 percent of the Year 2 MARC for the remaining years of the Term Period.

(3) If terminated in Year 3, 12.5 percent of the Year 3 MARC for the remaining portion of Year 3, plus 12.5 percent of the Year 3 MARC for the remaining years of the Term Period.

(4) If terminated in Year 4, 12.5 percent of the Year 4 MARC for the remaining portion of Year 4, plus 12.5 percent of the Year 4 MARC for the remaining years of the Term Period.

(5) If terminated in Year 5, 12.5 percent of the Year 5 MARC for the remaining portion of Year 5.

Example:

The Customer terminates this Contract Offer after forty-four (44) months, with sixteen (16) months remaining in the Term Period. The Customer's MARC for the fourth year of the Term Period is $2,500,000. The termination liability charge would be $416,667 as calculated below:

(1) $2.5 million Year 4 MARC X 12.5 percent (4/12 – four months remaining in the year) = $104,167; plus

(2) $2.5 million Year 5 MARC X 12.5 percent = $312,500.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.180 Contract Offer No. 180 – DS1 Service Offer (Cont'd)

41.180.10 Termination Liability (Cont'd)

(B) Except as provided to the contrary in this Contract Offer, if the Customer terminates individual Subject Services or rate elements prior to the completion of any applicable Service Term during the Term Period (other than as the result of a material breach by the Telephone Company), but this Contract Offer is not terminated and Customer continues to purchase other Subject Services hereunder, or if the Telephone Company terminates individual Subject Services or rate elements prior to the end of the applicable Service Term during the Term Period due to Customer's material breach of this Contract Offer, the Customer will be liable for a termination charge which shall be equal to fifty percent (50%) of the MRCs for the disconnected Subject Services or rate elements for the balance of the Service Term (MRC X 50% X (months remaining in the applicable Service Term).

Example: Customer with a $1,000 MRC terminates service after forty-eight (48) months, and has twelve (12) months remaining in the sixty (60) month Service Term during the Term Period.The termination liability would be calculated as:

$1,000 X 12 X 50% = $6,000 service termination liability charge.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.181 Contract Offer No. 181 – DS1 Service Offer

41.181.1 General Description

This DS1 Service Offer (Contract Offer No. 181) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 41.181.3, and the Terms and Conditions in Section 41.181.4, to disconnect Subject Services, as defined in Section 41.181.2, 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.

41.181.2 Subject Services

(A) Contract Offer No. 181 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):

(1) Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Sections 7 and 39 - 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 SWBT Tariff F.C.C. No. 73, Section 39, 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	
El Paso	TX
Beaumont	TX
Non-MSA	KS
Non-MSA	MO

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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.181 Contract Offer No. 181 – DS1 Service Offer (Cont'd)

41.181.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 181:

(A) The Customer must be purchasing, as of the Subscription Date, no fewer than four hundred (400) and no more than five hundred (500) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.

41.181.4 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 SWBT Tariff F.C.C. No. 73, Section 2.7) of Subject Services provided pursuant to this Contract Offer No. 181 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.181 Contract Offer No. 181 - DS1 Service Offer (Cont'd)

41.181.4 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[1] 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 Customer Number associated with this Contract Offer on all disconnect orders for replaced Subject Services.

41.181.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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).

[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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.181 Contract Offer No. 181 - DS1 Service Offer (Cont'd)

41.181.5 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 41.181.5 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.

41.181.6 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.

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41. Pricing Flexibility Offerings

41.182 Reserved for Future Use

ACCESS SERVICE

41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

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41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

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41. Pricing Flexibility Offerings (Cont'd)

41.182 Reserved for Future Use (Cont'd)

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41. Pricing Flexibility Contract Offerings

41.183 Contract Offer No. 183

41.183.1 General Description

This Special Access Service Offer (Contract Offer No. 183) is an access services plan for which concurrent subscription is required to this Contract Offer and the following Access Tariff: Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, (collectively, with this Contract Offer No. 183, Concurrently Subscribed Contract Offers). PBTC and the Telephone Company shall be identified herein as the "Qualified Companies." (Nx)

The Customer must meet the Eligibility Criteria set forth in Section 41.183.2, and also must comply with all terms and conditions of this Contract Offer. Contract Offer No.183 requires the Customer to establish and satisfy a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year Term Period, as defined in Section 41.183.6. The MARC shall include recurring revenue for all Contributory Services purchased from the Qualified Companies.

Contributory Services include Subject Services, as described in Section 41.183.4(A), and Non-Subject Services, as described in Section 41.183.4(B). Non-Subject Services are not eligible for credits or other incentives provided under this Contract Offer.

This Contract Offer is available for subscription from December 19, 2012 through January 19, 2013. This Contract Offer is not renewable.

41.183.2 Eligibility Criteria

To be eligible to subscribe to this Contract Offer, the following criteria must be met.

(A) During the twelve (12) months prior to the Customer's subscription to this Contract Offer, the Customer must have purchased services included as Contributory Services in this Contract Offer for which MARC-Eligible Charges (as defined in Section 41.183.6) were at least nine million dollars ($9,000,000).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.2 Eligibility Criteria (Cont'd)

(B) The Customer's billed recurring charges for Switched Access Dedicated Transport Services during the twelve (12) months prior to the Customer's subscription to this Contract Offer must have been no greater than forty thousand dollars ($40,000).

(C) During the year prior to the Customer's subscription to this Contract Offer, the Customer must have purchased services identified as Non-Subject Services in Table 3, below, resulting in monthly recurring charges (MRCs) of between $300,0000 and $600,000.

41.183.3 Concurrent Subscription (Nx)
In addition to this Contract Offer, the Customer must subscribe to the following Concurrently Subscribed Contract Offer:

(A) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 162. (Nx)

41.183.4 Contributory Services
Subject Services and Non-Subject Services shall together be known as "Contributory Services." MARC-Eligible Charges (as defined in Section 41.183.6) 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.

(A) Subject Services.

(1) Subject Services are pricing flexibility-qualified access services contained in the following tariff sections, as listed in Table 1, below:

Table 1- Subject Services

Service	Tariff Section	Rates & Charges Phase I	Rates & Charges Phase II
Special Access DS1 Services	7.3.10	7.3.10(F)	39.5.2.7
Special Access DS3 Services	20.4.1	20.4.3	39.5.2.12

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.4 Contributory Services (Cont'd)

(A) Subject Services. (Cont'd)

(2) Subject Services must be located in the Pricing Flexibility MSAs listed in Table 2, below:

Table 2- Metropolitan Statistical Area ("MSA")

STATE	**MSA**
AR	Fayetteville
AR	Fort Smith
AR	Little Rock
AR	Memphis
KS	Kansas City
KS	Non-MSA
KS	Topeka
KS	Wichita
MO	Joplin
MO	Kansas City
MO	Springfield
MO	St. Joseph
MO	St. Louis
OK	Lawton
OK	Oklahoma City
OK	Tulsa
TX	Abilene
TX	Amarillo
TX	Austin-San Marcos
TX	Beaumont
TX	Brownsville-Harlingen
TX	Corpus Christi
TX	Dallas/Ft. Worth
TX	El Paso
TX	Houston
TX	Longview-Marshall
TX	Lubbock
TX	McAllen-Edinburg
TX	Midland
TX	San Antonio
TX	Tyler
TX	Waco
TX	Wichita Falls

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.4 Contributory Services (Cont'd)

(A) Subject Services. (Cont'd)

(3) If the Telephone Company is granted pricing flexibility relief in additional MSAs, any services which are listed among the Subject Services in Table 1, and which the Telephone Company provides to the Customer in those additional MSAs, may, at the Customer's option, be included as Subject Services in this Contract Offer beginning with the first year after the Telephone Company is granted the pricing flexibility in those additional MSAs, provided, however, that the MARC will be increased to reflect the recurring revenues associated with the additional Subject Services based on the amount of such additional recurring revenues during the three (3) months prior to the inclusion of the additional Subject Services times four (4).

(B) Non-Subject Services.

(1) MARC-Eligible Charges (as defined in Section 41.183.6) for Non-Subject Services shall be included in the MARC, but Non-Subject Services shall not otherwise be subject to the rates, terms or conditions of this Contract Offer. Non-Subject Services are listed in Table 3, below.

Table 3 – Non-Subject Services

Intrastate Special Access	Voice Grade, DS0 , DS1,and DS3 Exchange and Exchange Access Services
Interstate Broadband Service[1]	Optical Carrier Network ("OCN") Point-to-Point Service, Dedicated SONET Ring Service ("DSRS"), Gigabit Ethernet Metropolitan Access Network ("GigaMAN®") Service, Multi-service Optical Network ("MON") Ring Service, Optical Ethernet Metropolitan Area Network ("OPT-E-MAN®"), DecaMAN®, and Wavelength Metropolitan Area Network (WaveMAN℠). AT&T Switched Ethernet. Serial Component Video Service (SCVS), and High Definition Video Transport (HDVT)

[1]Interstate Broadband Services, as listed above, are 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.4 Contributory Services (Cont'd)

(B) Non-Subject Services (Cont'd)

(2) If the Telephone Company introduces any new special access or switched access service, or any enhancement to an existing special access or switched access service, then such services shall be automatically included as Non-Subject Services, and the Customer's purchases of such new or enhanced Non-Subject Services shall be included in the calculation of MARC-Eligible Charges.

41.183.5 Terms and Conditions

(A) Term Period. The term of this Contract Offer (Term Period) shall be sixty (60) months, beginning on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer (the Subscription Date).

(B) Service Term. Each Subject Service shall be subject to a sixty (60) month service term commitment Term Payment Plan (TPP) Section 7.2.19, 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 sixty (60) month term commitment pursuant to Section 7.16.4, as applicable.

(1) The Service Term for each Subject Service being purchased by the Customer prior to its subscription to this Contract Offer shall begin on the later of: (i) the date such Subject Service was placed in service, or (ii) the date on which the then-existing term commitment of the Subject Service (that is, its term commitment prior to subscription to this Contract Offer) began.

(2) The Service Term for each Subject Service purchased during the Term Period shall begin on the date the Subject Service is placed in service.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.5 Terms and Conditions (Cont'd)

(C) Other Terms and Conditions

(1) Except as expressly provided to the contrary in this Contract Offer, Subject Services are subject to the rates, charges, and general terms and conditions in other sections of SWBT Tariff F.C.C. No. 73. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions of this Contract Offer.

(2) 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 otherwise included in, this Contract Offer.

(3) Subject Services under this Contract Offer No. 183 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, or other individually negotiated tariff or agreement (referred to as "Other Commitment Agreement") that includes any revenue commitment, 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.

(4) Commingling shall be as defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided under this Contract Offer is prohibited.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.5 Terms and Conditions (Cont'd)

(C) Other Terms and Conditions (Cont'd)

(5) The Customer must pay billed charges in full throughout the Term Period, excluding amounts properly disputed. Any disputes will be governed by SWBT Tariff F.C.C. No. 73, Section 2.5.3.

41.183.6 Minimum Annual Revenue Commitment (MARC)

This Contract Offer requires the Customer to establish and satisfy a Minimum Annual Revenue Commitment (MARC) for each Term Year. The MARC shall be based on billed annual recurring revenue, net of any applicable discounts or credits, and any other applicable credits or adjustments issued as of the time of the applicable Annual True-up Process for, in the aggregate, Contributory Services as set forth in Section 41.183.4 of this Contract Offer No.183, and the "Contributory Services" as set forth in the other Concurrently Subscribed Contract Offer (such charges collectively referred to as "MARC-Eligible Charges"), provided, however, that any credits issued pursuant to the Concurrently Subscribed Contract Offers shall not be included in determining MARC-Eligible Charges.

(A) Establishing the MARC

(1) The Customer's MARC for the first year of the Term Period shall be the greater of: (i) nine million dollars ($9,000,000), or (ii) four (4) times the Customer's MARC-Eligible Charges for the most recent three (3) months prior to the beginning of the Term Period, which in either case will be rounded to the nearest thousand dollars ($1,000).

The MARC for the each subsequent Term Year shall be the greater of: (i) the Customer's MARC-Eligible Charges during the last three (3) months of the prior Term Year, multiplied by four (4) and rounded to the nearest thousand dollars ($1,000), or (ii) the MARC in effect during the prior Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.6 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Establishing the MARC (Cont'd)

Example 1: Assume that the Term Period begins on January 1, 2013, and that the Customer's MARC-Eligible Charges from October 1, 2013 through December 31, 2013 are $2,100,000. $2,100,000 times four equals $8,400,000. Because $8,400,000 is less than $9,000,000, the second-year MARC will be equal to the first-year MARC of $9,000,000.

Example 2: Assume that the Term Period begins on January 1, 2013, and that the Customer's MARC-Eligible Charges from October 1, 2013 through December 31, 2013 are $3,500,000. $3,500,000 times four equals $14,000,000. Because $14,000,000 is greater than $9,000,000, the second-year MARC will be $14,000,000.

(B) Failure to Achieve the MARC

(1) Quarterly Review. The Customer and the Telephone Company shall exchange information quarterly, and shall meet quarterly, if necessary, to review the Customer's progress toward achieving the MARC. The Customer and the Telephone Company will meet in the ninth month of each Term Year to discuss and address, if necessary, compliance with the Contract Offer.

(2) Annual True-up Process. Following the completion of each Term Year, the Telephone Company will review the Customer's MARC-Eligible Charges for that Term Year to determine whether the Customer has satisfied the MARC. If the Customer's MARC-Eligible Charges for any Term Year are less than the MARC for that Term Year, the Telephone Company will bill, and Customer will pay, an amount equal to the difference between the MARC and the Customer's MARC-Eligible Charges. The True-up calculation will be performed as follows:

MARC – MARC-Eligible Charges = Annual True-Up Amount

The Customer must pay any Annual True-Up Amount within thirty (30) days after receipt of an invoice from the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.6 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) Incentive Credit Schedule and Application

After the end of each Term Year, the Customer may be eligible to receive an Incentive Credit, based upon the Customer's total MARC-Eligible Charges for that Term Year, as provided in Table 4, below. The Incentive Credit will be calculated as a percentage credit, as provided in Table 4, based on the difference (expressed in dollars) between the MARC in effect during the first Term Year and the Customer's total MARC-Eligible Charges for that Term Year. No Incentive Credit shall be issued unless the Customer's MARC-Eligible Charges exceed the MARC for the first Term Year by at least ten percent (10%). The Incentive Credit, if applicable, will be issued to the Customer within sixty (60) days after the end of each Term Year.

TABLE 4:

Amount by Which MARC-Eligible Charges Exceed First-Year MARC	Credit Percentage Applicable to MARC-Eligible Charges in Excess of First-Year MARC
MARC plus 10% to MARC plus 19.99%	5%
MARC plus 20% to MARC plus 29.99%	7.50%
MARC plus 30% or greater	10%

Example #1: During a given Term Year, the Customer has a MARC of $9,000,000 and MARC-Eligible Charges of $10,000,000. The Customer's MARC-Eligible Charges fall in the range of MARC plus 10% to MARC plus 19.99%, so the Customer qualifies for an Incentive Credit of 5% of the difference (in dollars) between the first-year MARC and the MARC-Eligible Charges, as determined below:

(1) $10,000,000 is more than 10% greater than $9,000,000 and less than $10,800,000, so 5% Incentive Credit applies.
(2) $10,000,000 - $9,000,000 = $1,000,000.
(3)$1,000,000 x .05 = $50,000.

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41. Pricing Flexibility Contract Offerings (Cont'd) (Sy)

41.183 Contract Offer No. 183 (Cont'd)

41.183.7 Rates

(A) Monthly Recurring Charges. The Telephone Company will initially bill the Customer according to the otherwise applicable sixty (60) month Term Payment Plan Monthly Recurring Charges ("TPP MRCs"). The Customer will then be credited in an amount equal to the percent discount listed in Table 5, below, off the TPP MRCs applicable to Subject Services. 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 5

DS1 Rate Element	USOC	Zones	Discount
Channel Termination	TMECS	1,2,3	5%
Channel Mileage Fixed	1L5XX	1,2,3	5%
Channel Mileage per mile	1L5XX	1,2,3	5%
Multiplexing	MQ1/MQ2/QMU	1,2,3	5%
DS3 Rate Element	USOC	Zones	Discount
Channel Termination - electrical	TUZPX	1,2,3	5%
Channel Termination - optical	TKZPX	1,2,3	5%
Channel Mileage Fixed	10XHX	1,2,3	5%
Channel Mileage per mile	1J5HS	1,2,3	5%
Multiplexing	MKM	1,2,3	5%

(Sy)

DS3 Pricing Table for Kansas City MSA ONLY

DS3 Interoffice Transport Rate MRC	USOC	60-Month Term
Interoffice Channel Mile Fixed	10XHX	$978 Bundled Rate
Interoffice Channel Mileage - per mile	1J5HS	
Applicable Central Office Multiplexing DS3 to DS1	MKM	

(B) Non-Recurring Charges

(1) Conversion of Unbundled Network Elements and Upgrades of Existing Special Access Services. (Sy)
The Telephone Company will waive applicable installation non-recurring charges (NRCs) associated with the conversion of Unbundled Network Elements (UNEs) or upgrades of existing special access services to Subject Services purchased pursuant to this Contract Offer. (Sy)

y - Original effective date December 19, 2012

(This page filed under Transmittal No. 1)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.7 Rates (Cont'd)

(B) Non-Recurring Charges (Cont'd)

(2) New Subject Services.

The Telephone Company will waive applicable installation NRCs for new Subject Services purchased pursuant to this Contract Offer, except for Access Order Charges.

(3) In the event that installation NRCs subject to waiver under this Contract Offer are billed by the Telephone Company, the Customer will receive credits for those charges on a quarterly basis. The Customer must pay all other applicable NRCs, including, but not limited to, rearrangement charges, special construction charges, access order charges, cancellation charges and Access Order Modification charges, as described in SWBT Tariff F.C.C. Tariff No.73, for Subject Services pursuant to this Contract Offer.

41.183.8 Termination Liability Waiver

This Section 41.183.8 applies to any Subject Services that are not included in any portability commitment provided in SWBT Tariff F.C.C. No. 73, Section 7. For any Subject Services that are included in any portability commitment provided in Section 7, any waiver of termination liability will be governed by the relevant provisions of Section 7.

Termination liability charges for any moves and/or disconnections of Subject Services will initially be billed by the Telephone Company, and paid by the Customer, as otherwise provided in this SWBT Tariff F.C.C. No. 73. The Telephone Company will issue credits to the Customer for those charges on a quarterly basis, provided that the following conditions have been met:

(A) The Customer must be in compliance with the Concurrently Subscribed Contract Offers;
(B) Any DS1 Subject Service must have been in service for a minimum of six (6) months from its original installation date; and

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.8 Termination Liability Waiver (Cont'd)

(C) Any DS3 Subject Service must have been in service for a minimum of eighteen (18) months from its original installation date.

41.183.9 Mergers and Acquisitions involving the Customer

The terms and conditions of Contract Offer No. 183 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain 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). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for services of the other company involved in the merger or acquisition will not be eligible for inclusion in this Contract Offer, including any calculations with respect to the MARC.

41.183.10 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.10 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 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.11 Termination Liability

(A) Termination Liability Charges

If this Contract Offer is terminated either (i) by the Customer for any reason other than a material default by the Telephone Company, or (ii) by the Telephone Company due to Customer's material breach of this Contract Offer (including, without limitation, Customer's failure to remit any Annual True-up payment as provided in Section 41.183.6 of this Contract Offer), 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. The termination liability charge shall be equal to the following:

(1) Fifty percent (50%) of all credits and/or waivers of NRCs or termination liability charges provided under this Contract Offer during the six (6) months immediately prior to the date of termination; plus
(2) Twelve and one-half percent (12.5%) of the MARC for the remainder of the Term Period, which amount will be pro-rated for any partial years remaining in the Term Period.

(B) Except as provided to the contrary in this Contract Offer, if the Customer terminates individual Subject Services or rate elements prior to the completion of any applicable Service Term during the Term Period (other than as the result of a material breach by the Telephone Company), but this Contract Offer is not terminated and Customer continues to purchase other Subject Services hereunder, or if the Telephone Company terminates individual Subject Services or rate elements prior to the end of the applicable Service Term during the Term Period due to Customer's material breach of this Contract Offer, the Customer will be liable for a termination charge, which shall be equal to fifty percent (50%) of the MRCs for the disconnected Subject Services or rate elements for the balance of the Service Term (MRC X 50% X months remaining in the applicable Service Term).

41. Pricing Flexibility Contract Offerings (Cont'd)

41.183 Contract Offer No. 183 (Cont'd)

41.183.11 Termination Liability (Cont'd)

(B) (Cont'd)

Example: Customer terminates a Subject Service with a $1,000 MRC after forty-eight (48) months, and has twelve (12) months remaining in the sixty (60) month Service Term during the Term Period.The termination liability would be calculated as:

$1,000 X 12 X 50% = $6,000 service termination liability charge.

41.183.12 New Special Access Service Offerings.

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, the Customer will be permitted to enter into a new contract offer, or other contract 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 under this Contract Offer, provided, however, that the Customer's Contract Offer, or other contract or tariff governing the new service offerings, must include a term period and revenue.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer

41.184.1 General Description

This Access Service Offer (Contract Offer No. 184) 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 No. 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)

Contract Offer No. 184 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 41.184.6. The MARC will consist of recurring revenues from, in the aggregate, all Subject Services and Non-subject Services purchased from Southwestern Bell Telephone Company ("SWBT" or "Telephone Company") and all "Subject Services" and "Non-Subject Services," as defined in the other Concurrently Subscribed Contract Offers described in Section 41.184.4(B) (together referred to as "Contributory Services").

Subject Services provided by the Telephone Company are described in Section 41.184.3.

This Contract Offer No. 184 is available for subscription only from February 12, 2013 through March 12, 2013. This offer is not renewable.

41.184.2 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 this Section 41.184.4(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. Contributory Services shall be comprised of Subject Services and Non-Subject Services as described below.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.3 Contributory Services shall be comprised of Subject Services 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 39.5.2.7 or 39.5.2.12, as applicable.

Table A – Subject Services

Interstate Special Access	DS1 & DS3
Includes only those services listed above and located in Pricing Flexibility Metropolitan Statistical Areas (MSAs), as described in 41.184.4(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. 184.

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.3 Contributory Services shall be comprised of Subject Services and Non-Subject Services as described below: (Cont'd)

(E) Non-Subject Services (Cont'd)

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
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[1]

41.184.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 184:

(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 SWBT Tariff F.C.C. No. 73, Section 39 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 option, include Subject Services in those MSAs in this Contract Offer.

[1] Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), GigaMAN®, DecaMAN®, BellSouth Metro Ethernet Service, OPT-E-MAN Service 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 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.4 Eligibility Criteria (Cont'd)

(A) (Cont'd)

Table C

MSA	State
El Paso	TX
Beaumont	TX
Non-MSA	KS
Non-MSA	MO

(B) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to, and purchase service under, each of the following Contract Offers: (Nx)

- 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 No. 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 Date (as defined in Section 41.184.5(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.

(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[1] services.

[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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.4 Eligibility Criteria (Cont'd)

(E) As of Subscription Date, 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 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.

41.184.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 184:

(A) Term Period. The term of this Contract Offer No. 184 (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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.5 Terms and Conditions (Cont'd)

(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.

(C) Service Term. Each Subject Service shall be purchased pursuant to a thirty-six (36) month Term Payment Plan ("TPP"). 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 Term Payment Plan as described in SWBT Tariff F.C.C. No. 73, Sections 7.3.10(F) (10.4), 20.5 or 39.5.2.7.1(E), or 39.5.2.12.1, as applicable. Any Existing Subject Service converted to this Contract Offer shall be subject to a new thirty-six (36) month Service Term, 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 7.3.10(F) or 39.5.2.7.1 for DS1 Subject Services, and monthly extension rates described in Sections 20.5 or 39.5.2.12.1 for DS3 Subject Services, unless the Customer selects another applicable Term Pricing Plan or other applicable rate, or disconnects the service.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.5 Terms and Conditions (Cont'd)

(C) 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.

(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 SWBT Tariff F.C.C. No. 73 (Sections 2 - General Regulations, 5 -Ordering for 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. 184.

(G) Commingling is defined in SWBT Tariff F.C.C. No. 73, Section 2.7. Commingling of Subject Services provided pursuant to this Contract Offer No. 184 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:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.5 Terms and Conditions (Cont'd)

(H) Termination Liability Waiver. (Cont'd)

(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.

(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[1] Upgrade. In addition to the provisions of Section 41.184.5(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-based[1] 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 Ethernet[1] 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[1] replacement service.

(2) The Ethernet-based[1] replacement service must be at the same Customer location as the terminated Subject Service.

(3) The Ethernet-based[1] 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.

[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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.6 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 41.184.5(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.

41.184.7 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 Term Payment Plan Monthly Recurring Charges (TPP MRCs). The Customer shall then be credited in an amount equal to the difference between the TPP MRCs and the rates Tables D, 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.

The MRCs in Table D, below, will apply to New Subject Services.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.7 Monthly Recurring Charges (MRCs) – New Subject Services (Cont'd)

(A) MRCs – Application of Credits for New Subject Services. (Cont'd)

Table D

DS1 Description	All States - All Zones	
	USOC	Rate
Channel Termination - Per Point of Termination	TMECS	$110.20
Channel Mileage-Fixed	1L5XX	$40.38
Channel Mileage-Per Mile	1L5XX	$12.35
Central Office Multiplexing DS1 to DS0 voice/digital	MQ1	$166.25
DS3 Description	All States- All Zones	
	USOC	Rate
Channel Termination	TUZPX electrical) TKZPX (Optical)	$1,080.00
Interoffice Mileage-Fixed - per DS3 or DS3 equivalent	10XHX/10XLX	$472.50
Interoffice Mileage - Per Mile	1J5HS/1HXLS	$61.20
DS3 to DS1 Multiplexing	MKM	$495.00

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 - DS1/DS3 Special Access Offer (Cont'd)

41.184.7 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 39.5.2.7 and 39.5.2.12.

(2) NRCs will apply to New Subject Services, as provided in Sections 39.5.2.7, 39.5.2.12 and 7.3.10(F)(10.4) and 20.5, except as provided in Table E, below.

Table E

Rate element - DS1 New Subject Services ONLY	USOC	NRC Charge
Rearrangement/Move Fee	NRBRA/ NRBRH/ NRBR1	$150.00

(C) Monthly Credit

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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.184.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.184 Contract Offer No. 184 – DS1/DS3 Special Access Offer (Cont'd)

41.184.9 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.

41.184.10 Termination

Termination liability, as described below, applies in lieu of termination liability as described in SWBT F.C.C. Tariff 73. 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 X 6 X .50 = $3,607.50 termination liability charge.

ACCESS SERVICE

41. Reserved for Future Use

41.185 Contract Offer No. 185 - Access Service

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.185 Reserved for Future Use (Cont'd)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer

41.186.1 General Description

This Special Access Service Offer (Contract Offer No. 186) is an access discount pricing plan. This Contract Offer permits Customers who meet the Eligibility Criteria in Section 41.186.3, and the Terms and Conditions in Section 41.186.4, to purchase the Subject Services listed in Section 41.186.2 and to receive rates and charges as provided in Section 41.186.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSAs) listed in Section 41.186.2(B).

This Contract Offer is available for subscription from June 1, 2013 through July 1, 2013. This Contract Offer is not renewable.

41.186.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: Southwestern Bell Telephone Company ("SWBT") Tariff F.C.C. No. 73, Sections 7 and 39 – 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 SWBT Tariff F.C.C. No. 73, Section 39, 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 39 or Table A, below, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 186.

Table A

MSA	**State**
El Paso	TX
Beaumont	TX
Non-MSA	KS
Non-MSA	MO

(C) Subject Services must originate or terminate on a wireless carrier's network.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.2 Subject Services (Cont'd)

(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[1] 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[1] 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.

41.186.3 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, The Southern New England Telephone Company, BellSouth Telecommunications, LLC and Nevada Bell Telephone Company.

[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. 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.3 Eligibility Criteria (Cont'd)

(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.

Table B

MSA	**Minimum Number of Cell Sites in MSA**	**Maximum Number of Cell Sites in MSA**
Abilene, TX	4	8
Amarillo, TX	11	22
Austin-San Marcos, TX	22	44
Beaumont-Port Arthur, TX	34	68
Brownsville-Harlingen, TX	7	14
Corpus Christi, TX	10	20
Dallas/Ft. Worth, TX	174	348
El Paso, TX	7	14
Fayetteville-Springdale, AR	43	86
Ft Smith, AR-OK	1	2
Houston, TX	134	268
Joplin, MO	12	24
Kansas City, MO-KS	68	136
Lawton, OK	7	14
Little Rock-North Little Rock, AR	40	80
Longview-Marshall, TX	17	34
Lubbock, TX	18	36
McAllen-Edinburg-Mission, TX	6	12
Memphis, AR	4	8
Midland, TX	7	14
Non-MSA, KS	16	32
Non-MSA, MO	28	56
Oklahoma City, OK	16	32
San Antonio, TX	24	48
Springfield, MO	28	56
St. Joseph, MO	7	14
St. Louis, MO	50	100
Topeka, KS	3	6
Tulsa, OK	13	26
Tyler, TX	12	24
Waco, TX	4	8
Wichita Falls, TX	6	12
Wichita, KS	9	18

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186-Special Access Wireless DS1 Service Offer (Cont'd)

41.186.3 Eligibility Criteria (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.

Table C

MSA	**Minimum Number of DS1 special access circuits in MSA**	**Maximum Number of DS1 special access circuits in MSA**
Abilene, TX	4	24
Amarillo, TX	11	66
Austin-San Marcos, TX	22	132
Beaumont-Port Arthur, TX	34	204
Brownsville-Harlingen, TX	7	80
Corpus Christi, TX	10	136
Dallas/Ft. Worth, TX	174	1044
El Paso, TX	7	42
Fayetteville-Springdale, AR	43	258
Ft Smith, AR-OK	1	16
Houston, TX	134	804
Joplin, MO	12	72
Kansas City, MO-KS	68	408
Lawton, OK	7	42
Little Rock-North Little Rock, AR	40	240
Longview-Marshall, TX	17	102
Lubbock, TX	18	108
McAllen-Edinburg-Mission, TX	6	57
Memphis, AR	4	24
Midland, TX	7	42
Non-MSA, KS	16	96
Non-MSA, MO	28	168
Oklahoma City, OK	16	176
San Antonio, TX	24	144
Springfield, MO	28	168
St. Joseph, MO	7	42
St. Louis, MO	50	300
Topeka, KS	3	59
Tulsa, OK	13	125
Tyler, TX	12	72
Waco, TX	4	24
Wichita Falls, TX	6	36
Wichita, KS	9	89

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186-Special Access Wireless DS1 Service Offer (Cont'd)

41.186.3 Eligibility Criteria (Cont'd)

(D) The Customer must be purchasing, as of the Effective Date, Ethernet[1] Services at no fewer than ten thousand (10,000) Qualified Cell Sites from, collectively, the Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, The Southern New England Telephone Company, BellSouth Telecommunications, LLC 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,[2] representing aggregate recurring billed revenues of no less than one hundred fourteen million dollars ($114,000,000) during those twelve (12) months, after applicable discounts, credits and adjustments.

41.186.4 Terms and Conditions

(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 extension rates in SWBT Tariff F.C.C. No. 73, Section 39.5.2.7.1 and 7.3.10, 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 SWBT Tariff F.C.C. No. 73, Section 39.

[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. 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

[2] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186-Special Access Wireless DS1 Service Offer (Cont'd)

41.186.4 Terms and Conditions (Cont'd)

(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 SWBT F.C.C. No. 73, Sections 2, 5, 7, 13 and 39, 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 SWBT Tariff F.C.C. No. 73, Sections 2, 5, 7, 13 or 39, 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 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (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 DS1 Term Payment Plan ("TPP"), as described in Section 39 of SWBT Tariff F.C.C. No. 73, under the longest term commitment available at the time of the Customer's order, or at month-to-month rates if no TPP 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 39, or to any other ordering obligations inconsistent with this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 41.186.5 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 SWBT Tariff F.C.C. No. 73.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(7) 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.5 Rates and Charges

(A) The Customer may purchase Subject Services at those Qualified Cell Sites at which Customer has purchased Ethernet-based[1] services from the Telephone Company at a fixed MRC of one hundred and 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. The Telephone Company will initially bill the Customer according to the otherwise applicable TPP or month-to-month MRCs. The Customer will then be credited in an amount equal to the difference between the TPP 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 TPP or month-to-month MRCs, but will not be included in the credits applied to the Customer's bill.

Table D

<table>
<tr><th>Rate Element</th><th>USOC</th><th>MRC</th></tr>
<tr><td>Channel Termination</td><td>TMECS</td><td rowspan="3">$108 (Net Bundled Rate)</td></tr>
<tr><td>Fixed Mileage</td><td>1L5XX</td></tr>
<tr><td>Variable Mileage</td><td>1L5XX</td></tr>
</table>

(B) For any billing period in which a Subject Service is not so multiplexed and connected, the Telephone Company will debit the Customer's invoice for an additional seventeen dollars ($17) for each such Subject Service.

[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. 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.5 Rates and Charges (Cont'd)

(A) 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 39, as applicable to Plan B under a 49 through 72-month term commitment plan.

(D) If the Telephone Company is unable to bill for Subject Services at the discounted rate as described in Section 41.186.5.(A), the Telephone Company will bill the Customer on a monthly basis the otherwise applicable tariff rates applicable to the TPP 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 41.186.5 and the rates initially billed.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.5 Rates and Charges (Cont'd)

(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	DS1 Expedited Service Interval (4 days)	EODXR	$625.00	5.3.2(C)
Expedite	DS1 Expedited Service Interval (3 days)	EODXP	$675.00	
Expedite	DS1 Expedited Service Interval (2 days)	EODWO	$1,500.00	
Expedite	DS1 Expedited Service Interval (1 days)	EODWN	$2,000.00	
Expedite	DS1 Expedited Service Interval (0 days)	EODWM	$2,500.00	

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Telephone Company will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 41.186.6 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.186 Contract Offer No. 186–Special Access Wireless DS1 Service Offer (Cont'd)

41.186.7 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.

41.186.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.187 Contract Offer No. 187 – Access Service Offer

41.187.1 General Description

The Special Access Service Offer (Contract Offer No. 187) is a Minimum Annual Spend attainment 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. 31 and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 167; (collectively, with this Contract Offer No. 41.187, referred to as the "Concurrently Subscribed Contract Offers". NBTC and PBTC, together with the Telephone Company, shall be identified herein as the "Qualified Companies." (Nx)

The Concurrently Subscribed Contract Offers allow the Customer to qualify for certain credits based on its attainment of a "Minimum Annual Spend" or "MAS," as described in Section 41.187.5, below. The MAS consists of certain recurring revenue from "Contributory Services," as defined in Section 41.187.2, below, that the Customer purchases from the Qualified Companies.
Contract Offer No. 187 will be available for subscription only from May 17, 2014 through June 17, 2014. This Contract Offer is not renewable.

41.187.2 Subject and Non-Subject Services

Subject Services and Non-Subject Services will together be referred to in this Contract Offer as "Contributory Services." "Contributory Revenue" (as defined in Section 41.187.5, below) for all Contributory Services will be included for the purposes of determining the amount of the MAS and the Customer's attainment of the MAS.

(A) Subject Services

(1) Subject Services are pricing flexibility qualified 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)	Voice Grade (VG), DS0, DS1 and DS3, except for any rate elements not subject to pricing flexibility

(x) Issued under Authority of Special Permission No. 14-005 of the F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.2 Subject and Non-Subject Services (Cont'd)

(A) Subject Services (Cont'd)

(1) Subject Services must be located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in SWBT Tariff F.C.C. No. 73, Section 39, 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: Austin – San Marcos, TX; Brownsville-Harlingen,TX; Dallas – Ft. Worth, TX; Ft. Smith, AR-OK;Houston, TX; Joplin, MO; Kansas City, KS-MO; McAllen- Edinburg, TX; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Tyler, TX; Waco, TX; Wichita Falls, TX; Wichita, KS.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.2 Subject and Non-Subject Services (Cont'd)

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

TABLE B- **Non-Subject Services** will be included in calculations related to the "Minimum Annual Spend," as defined in Section 41.187.1, but are not otherwise subject to this Contract Offer.

Category	Service[1]
Interstate Special Access Services	Optical Carrier Network (OCN) Point to Point Service, Dedicated SONET Ring Service (DSRS), Gigabit Ethernet Metropolitan Access Network (GigaMAN®) Service, Multi-service Optical Network (MON) Ring Service, Optical Ethernet Metropolitan Area Network (OPT-E-MAN®), DecaMAN®, and Wavelength Metropolitan Area Network (WaveMAN℠), AT&T Switched Ethernet℠ (ASE), and Video Services (SCVS, AVS270, High Def, MMC)
Intrastate Special Access and/or Equivalent Non-Switched Exchange Services (Excluding Private Line Services)	Voice Grade (VG), DS0, DS1, DS3, Optical Carrier Network (OCN) Point to Point Service, Dedicated SONET Ring Service (DSRS), Gigabit Ethernet Metropolitan Access Network (GigaMAN®) Service, Multi-service Optical Network (MON) Ring Service, Optical Ethernet Metropolitan Area Network (OPT-E-MAN®), DecaMAN®, and Wavelength Metropolitan Area Network (WaveMAN℠), AT&T Switched Ethernet (ASE) ℠
Interstate Switched Access	Dedicated Switched Transport (excluding such service provided by BellSouth Telecommunications, LLC)
AT&T Mobility	Corporate Responsibility Users (CRU)
AT&T Corp.	AT&T Network Connection Service (ANC) and AT&T Voice Over IP Connect Service (AVOICS)* Domestic Long Distance Private Line (DS1, DS3, OCN, EPLS WAN) Local Private Line Service Data Center Collocation

[1] Interstate OCN PTP, DSRS, MON, GigaMAN,® DecaMAN,® Opt-E-MAN®, AT&T Switched Ethernet, Serial Component Video (SCVS) and High Definition Video Transport (HDVT) 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

41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.2 Subject and Non-Subject Services (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.

41.187.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer:

(A) The Customer must have a minimum of 30,000 interstate special access DS1 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 services from the Qualified Companies for which aggregate monthly recurring charges were not less than $90,000,000 (net of any applicable discounts and credits) for the twelve (12) month period immediately prior to the effective date of this Contract Offer.

(C) The Customer may not be a party to any other broadband agreement or pricing flexibility contract tariff that 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.

(D) As of the Subscription Date of this Contract Offer, the Customer must have an Access Service Ratio, as defined in Section 41.187.7, below, of ninety-two percent (92%) or greater.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.3 Eligibility Criteria (Cont'd)

(A) The Customer must concurrently subscribe to the following Contract Offers: (Nx)

(1) PBTC Tariff F.C.C. No. 1, Contract Offer No. 167;
(2) NBTC Tariff F.C.C. No. 1, Contract Offer No. 31; and
(3) SWBT Tariff F.C.C. No. 73, Contract Offer No. 187. (Nx)

41.187.4 General Terms and Conditions

The following General Terms and Conditions apply to this Contract Offer No. 187:

(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.

(x) Issued under Authority of Special Permission No. 14-005 of F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.4 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 for thirty-six (36) months, subject to two (2) one (1) year extensions, which may be initiated at the Customer's option. If the Customer wishes to initiate an extension, the Customer must inform the Qualified Companies to that effect, in writing, no later than ninety (90) days prior to the expiration of the then-effective Term Period. Each twelve (12) month period of the Term Period, beginning from the Subscription Date, shall be referred to as a Term Year. Upon expiration of the Term Period or any extensions, Subject Services will be provided at the prevailing month-to-month rates as provided in Pacific Bell Tariff F.C.C. No. 1, Section 7 or 39, 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 41.187.4(B), all Service Terms are subject to termination pursuant to Section 41.187.4(E), below.

(C) Commingling of Subject Services, as commingling is defined in SWBT Tariff F.C.C. No. 73, Section 2.7, is not permitted.

(D) Grandfathering or Sunsetting of Subject Services

Nothing in this Contract Offer shall prevent the Qualified Companies 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.4 General Terms and Conditions (Cont'd)

(E) Any termination liability charges that would otherwise apply to any DS3 Subject Service as a result of their conversion to AT&T Switched Ethernet Service will be waived, or credits will be issued to offset one hundred percent (100%) of such termination liability charges, if and to the extent all of the following conditions are met for the relevant DS3 Subject Service(s):

(1) Any disconnected DS3 Subject Service(s) must be replaced by AT&T Switched Ethernet Service[1] with a Customer Port Connection at the same Customer location or Customer-designated location as the disconnected DS3 Subject Service(s), which may include Customer collocation (such AT&T Switched Ethernet Service[1] to be referred to as a "Replacement Service");

(2) The Replacement Service must be ordered no later than thirty (30) days after any associated DS3 Subject Services are disconnected, and the order(s) for the Replacement Service must have a Customer Desired Due Date of no more than one hundred and twenty (120) days after the disconnect order for any DS3 Subject Service(s) have been issued;

(3) The total Committed Information Rate of the Customer Port Connection(s) of the Replacement Service must be no less than the total bandwidth of all DS3 Subject Services disconnected at the same Customer location or Customer-designated location;

(4) Any DS3 Subject Service ordered after the Subscription Date must be in service for a minimum of twelve (12) months prior to their disconnection; and

(5) The Customer must be in material compliance with all terms and conditions of this Contract Offer and any other applicable tariff provisions, including without limitation timely payment of all billed amounts other than those properly disputed.

[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

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.5 Minimum Annual Spend

Credits under this Contract Offer are conditioned on the Customer's satisfaction of the MAS in each Term Year. Satisfaction of the MAS shall be determined according to "Contributory Revenue," which is defined as annual recurring revenue billed for service provided during the relevant Term Year, net of any applicable discounts, credits or adjustments issued as of the time of the applicable Annual True-up Process for, in the aggregate, Contributory Services as set forth in Section 41.187.2 of this Contract Offer, and the "Contributory Services" as set forth in the other Concurrently Subscribed Contract Offers provided, however, that any credits issued pursuant to the Concurrently Subscribed Contract Offers shall not be included in determining Contributory Revenue. For clarification, but not by way of limitation, Contributory Revenue shall exclude non-recurring charges, usage-based charges, taxes, surcharges, fees, temporary service charges, Unbundled Network Element (UNE) charges, charges for Switched Access Dedicated Transport, special construction, and cost recovery fees. Services included in the MAS will include both services ordered prior to the date upon which the Customer subscribes to the Contract Offer and services ordered during the Term Period.

The MAS will be equal to the greater of (i) eighty-five percent (85%) of the Customer's Contributory Revenue for the three (3) months prior to the Subscription Date, times four (4), or (ii) ninety million dollars ($90,000,000).

41.187.6 Billing & Credits

(A) **Monthly Credits:** Subject to Sections 41.187.6(B) and (C), below, the Qualified Companies, in the aggregate, will issue a Monthly Credit (MC) to the Customer in the amounts provided for each Term Year in Table C, below. The Qualified Companies will apply the MC to the Customer's bill(s) for Subject Services, no later than sixty (60) days after the end of the month to which the MC is applicable.

Table C:

Term Year	**Monthly Credit (MC)**
1	$750,000
2	$500,000
3	$300,000
Each Optional Year	$200,000

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.6 Billing & Credits (Cont'd)

(B) **Quarterly Review.** The Qualified Companies will review the Customer's Contributory Revenue for each "Quarter" (as defined herein) and will provide the results of each review to the Customer within sixty (60) days after the end of each Quarter of each Term Year ("Quarterly Review"). "Quarter" means a consecutive, non-overlapping 3-month period, with the first such period beginning with the start of the first Term Year. If the Customer's Contributory Revenue for any Quarter is not equal to or greater than (i) the Quarterly Credit Percentage (as defined below) times (ii) one quarter of the MAS, the Qualified Companies will bill the Customer for, and the Customer shall pay, an amount equal to all MCs issued for that Quarter ("Credit Recapture Amount"), and the Qualified Companies will not issue additional MC until the Customer pays any Credit Recapture Amount. The Quarterly Credit Percentage will be twenty-five percent (25%) for the first Quarter of any Term Year, fifty percent (50%) for the second Quarter of any Term Year and seventy-five (75%) percent for the third Quarter of any Term Year.

(C) **Annual Review.** The Qualified Companies will review the Customer's Contributory Revenue for each Term Year and will provide the results of each review to the Customer within sixty (60) days after the end of each Term Year ("Annual Review"). If the Customer's Contributory Revenue for any Term Year is not equal to or greater than the MAS, the Qualified Companies will bill the Customer for, and the Customer shall pay, an amount equal to all MCs issued for that Term Year, less any Credit Recapture Amount previously paid to the Qualified Companies for that Term Year. If the Customer's Contributory Revenue for any Term Year is equal to or greater than the MAS, the Qualified Companies will issue a "Final Credit" to the Customer equal to (i) twelve (12) times the MC applicable during that Term Year, (ii) minus any MCs previously issued for that Term Year, and (iii) plus any Credit Recapture Amounts paid by the Customer for that Term Year. The Qualified Companies will apply the Final Credit to the Customer's bill, if a Final Credit is applicable, no later than ninety (90) days after the end of the Term Year.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.6 Billing & Credits (Cont'd)

(D) **DS1 Plan Credits.** The Qualified Companies will issue credits, as described below, equal to any charges billed to the Customer by the Qualified Companies for failing to maintain the minimum "Commitment Level," as defined in the DS1 Term Payment Plan (DS1 TPP) with DS1 High Capacity Service Portability Commitment, Section 7.2.22(E), and equivalent portability plans offered by the other Qualified Companies (Portability Plans). Such charges will be referred to as "Plan Shortfall Charges". The Qualified Companies will bill the Plan Shortfall Charges as provided under the applicable tariff provisions. Thereafter, the Qualified Companies will issue credits in the amount of such charges billed to the Customer ("DS1 Plan Credits"). The Qualified Companies will calculate the amounts of any DS1 Plan Credits for each Quarter and will issue any DS1 Plan Credits within sixty (60) days after the end of the Quarter; provided however, that the Customer must satisfy the following conditions:: (i) the Customer's Contributory Revenue for the Quarter must be equal to or greater than one quarter of the MAS; and (ii) the amount of the Customer's Contributory Revenue attributable to AT&T Switched Ethernet Service[1] for the Quarter must be equal to or greater than the reduction in Contributory Revenue attributable to interstate special access DS1 service during the Quarter. The amount of any DS1 Plan Credit(s) issued for any Quarter shall not exceed the amount of any Plan Shortfall Charges billed to the Customer for that Quarter.

[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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.6 Billing & Credits (Cont'd)

(D) Notwithstanding anything to the contrary in this Contract Offer, any credits otherwise available under this Contract Offer will not be issued to the extent they duplicate any credits issued under any other tariff or agreement between the Customer and any or all of the Qualified Companies.

(E) Any credits issued under the Concurrently Subscribed Contract Offers shall be allocated between the Concurrently Subscribed Contract Offers in proportion to billing for Contributory Revenue during the relevant month. The credits will be applied to the Customer's bill no later than sixty (60) days after the period to which the credits apply.

(F) Credits shall not be issued if the Customer is in material breach of any of the Concurrently Subscribed Contract Offers, 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 the Customer.

41.187.7 Access Service Ratio

The Customer (including any of its Affiliates included in this Contract Offer) must maintain an Access Service Ratio of ninety-two percent (92%) or greater. The Access Service Ratio shall be calculated quarterly, based on data for the most recent 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)

The Access Service Ratio must be greater than or equal to 92% as of the Subscription Date and as of this Agreement and throughout the Term of the Agreement. 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. The calculation of recurring revenue will not include any DS1 Plan Credits issued pursuant to this Contract Offer.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.7 Access Service Ratio (Cont'd)

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.

"Access Revenue" means the Qualified Companies' interstate recurring revenue from the Customer and its "Affiliates" associated with the services defined in Table D, 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 Special Access	OCN (Optical Carrier Network) PTP
	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
	DS0
	DS1
	DS3
	Switched Access Transport

[1] Interstate OCN PTP, DSRS, MON, GigaMAN,® DecaMAN,® Opt-E-MAN®, AT&T Switched Ethernet, Serial Component Video (SCVS) and High Definition Video Transport (HDVT) 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.7 Access Service Ratio (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] OCN PTP and 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, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT, F.C.C. Tariff No. 1, Section 2.2.1, the Qualified Companies will acknowledge such transfer or assignment if the criteria in SWBT, F.C.C. Tariff No. 1 Section 2.2.1 , 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's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 41.187.8 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.

(D) Notwithstanding anything to the contrary in this Section 41.187.8, 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.187 Contract Offer No. 187 – Access Service Offer (Cont'd)

41.187.9 Mergers/Acquisitions and Sales/Divestitures

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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.188 Contract Offer No. 188 – DS1 and DS3 Service Offer

41.188.1 General Description

The Special Access Service Offer (Contract Offer No. 188, or Contract Offer) is a Service Level Agreement offer 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. 32; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 168; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 83; and Ameritech Operating Companies Tariff F.C.C. No. 1, Contract Offer No. 218 (collectively, with this Contract Offer No. 188, the "Concurrently Subscribed Contract Offers"). Ameritech, BellSouth, NBTC, PBTC and the Telephone Company may be identified as the "Qualified Companies." (Nx)

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 41.188.3 and otherwise comply with the terms and conditions of this Contract Offer to receive credits as provided in Section 41.188.5 below. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSA) listed in Section 41.188.2 (B).

This Contract Offer is available for subscription from October, 18 2014 through November 18, 2014. This Contract Offer is not renewable.

41.188.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services contained in the following tariff section: SWBT Tariff F.C.C. No. 73, Sections 7 and 39 – DS1 High Capacity Service and DS3 High Capacity Service (Subject Services).

(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 SWBT F.C.C. No. 73, Section 39 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 39 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 188. Pricing Flexibility Phase I MSAs are listed below:

x – Filed under the Authority of Special Permission No. 14-013 of the F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 – DS1 and DS3 Service Offer (Cont'd)

41.188.2 Subject Services (Cont'd)

(B) (Cont'd)

Table A

State	City
KS	Non-MSA
MO	Non-MSA
TX	Beaumont
TX	El Paso

41.188.3 Eligibility Criteria

To subscribe to Contract Offer No. 188, 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:

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 – DS1 and DS3 Service Offer (Cont'd)

41.188.4 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.

(B) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT F.C.C. No. 73, Sections 2, 5, 7, 13 and 39, 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. 188.

(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 SWBT Tariff F.C.C. No. 73, Sections 2.7) of Subject Services provided pursuant to this Contract Offer No. 188 is prohibited.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 - DS1 and DS3 Service Offer (Cont'd)

41.188.5 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 SONET[1] 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.

(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.

[1] AT&T Interstate Access Guidebook Part 9 - Special Access Services Southwest Section 39.3. 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 de-tariffed services are available at www.att.com/guidebook.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 - DS1 and DS3 Service Offer (Cont'd)

41.188.5 Service Level Assurance (Cont'd)

(A) (Cont'd)

(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 41.188.5(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 2.5.6(C) of SWBT Tariff F.C.C. No. 73.

Table B SLA Measurements and Benchmarks

Measurement	Benchmark
MTTR	4.5 hours
On Time Delivery	95%
New Circuit Failure Rate	4.5%
Repeat Reports within 30 Days	14.5%

(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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 - DS1 and DS3 Service Offer (Cont'd)

41.188.5 Service Level Assurance (Cont'd)

(C) (Cont'd)

Table C—SLA Performance Credits

Measurement	Credit if Benchmark Not Achieved Met
MTTR	$50,000
On Time Delivery	$50,000
New Circuit Failure Rate	$50,000
Repeat Reports within 30 Days	$50,000

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.

41.188.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Qualified Companies will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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,

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 - DS1 and DS3 Service Offer (Cont'd)

41.188.6 Assignment/Transfer (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 Subsections (A) or (B) of this Section 41.188.6 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.

41.188.7 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.188 Contract Offer No. 188 - DS1 and DS3 Service Offer (Cont'd)

41.188.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.189 Contract Offer No. 189 – Access Service Offer

41.189.1 General Description

The Special Access Service Offer (Contract Offer No. 189) is a Minimum Annual Revenue Commitment attainment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C No. 2, Contract Offer No. 219; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 84; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 33; and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 169 (collectively, with this Contract Offer No. 189, referred to as the "Concurrently Subscribed Contract Offers". Ameritech, BellSouth, NBTC, and PBTC, together with the Telephone Company, shall be identified herein as the "Qualified Companies." (Nx)

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 41.189.5, below. The MARC consists of certain recurring revenue from "Contributory Services," as defined in Section 41.189.2, below, that the Customer purchases from the Qualified Companies.

Contract Offer No. 189 will be available for subscription only from October 29, 2014 through November 29, 2014. This Contract Offer is not renewable.

41.189.2 Subject and Non-Subject Services

"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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.2 Subject and Non-Subject Services (Cont'd)

(A) Subject Services

(1) Subject Services are pricing flexibility qualified 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)	DS1 and 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 SWBT Tariff F.C.C. No. 41, Section 39, 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: Austin – San Marcos, TX; Brownsville-Harlingen,TX; Dallas – Ft. Worth, TX; Ft. Smith, AR-OK; Houston, TX; Joplin, MO; Kansas City, KS-MO; McAllen- Edinburg, TX; Memphis, AR; Oklahoma City, OK; San Antonio, TX; St. Louis, MO; Tulsa, OK; Tyler, TX; Waco, TX; Wichita Falls, TX; Wichita, KS.

(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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.2 Subject and Non-Subject Services (Cont'd)

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

TABLE B- Non-Subject Services will be included in calculations related to the "Minimum Annual Revenue Commitment," as defined in Section 41.189.1, but are not otherwise subject to this Contract Offer.

Category	Service[1]
Interstate Special Access Services	Optical Ethernet Metropolitan Area Network (OPT-E-MAN®), AT&T Switched Ethernet℠ 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)

(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.

[1]Interstate 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.3 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 DS1 and 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 41.189.4.B, below). DS1 and DS3 interstate special access circuits will be considered separately.

Example: If the Customer purchased more than seventy-five percent (75%) of its DS1 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 DS1 Subject Services under this Contract Offer at 5-year rates.

Example: If the Customer purchased more than seventy-five percent (75%) of its DS1 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 DS1 Subject Services under this Contract Offer at 7-year rates.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.3 Eligibility Criteria (Cont'd)

(A) The Customer must concurrently subscribe to the following Contract Offers: (Nx)

(1) Ameritech Tariff F.C.C No. 2, Contract Offer No. 219;

(2) BellSouth Tariff F.C.C. No. 1, Contract Offer No. 84;

(3) NBTC Tariff F.C.C. No. 1, Contract Offer No. 33;

(4) PBTC Tariff F.C.C. No. 1, Contract Offer No. 169;

(5) SWBT Tariff F.C.C. No. 73, Contract Offer No. 189; (Nx)

41.189.4 General Terms and Conditions

The following General Terms and Conditions apply to this Contract Offer No. 189:

(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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.4 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 Southwestern Bell Tariff F.C.C. No.73, Section 7 or 39, 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 41.189.4(B), all Service Terms are subject to termination pursuant to Sections 41.189.4(F) and 41.189.4(G), below.

(C) Service Term

Subject Services must be ordered and purchased subject to the Term Period applicable to either DS1 or DS3 service, respectively, under this Contract Offer, as provided in Section 41.189.3(C) (in either case, referred to as the 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.4 General Terms and Conditions (Cont'd)

(C) Service Term (Cont'd)

Upon expiration of the Service Term or upon termination of the Term Period, as described in Section 41.189.4(G), below, Subject Services will be provided at the prevailing month-to-month rates as provided in SWBT Tariff F.C.C. No. 73, Section 7 or 39, 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 41.189.4(C), all Service Terms are subject to termination pursuant to Section 41.189.4(G), below.

(D) Commingling of Subject Services is defined in SWBTC Tariff F.C.C. No. 73, Section 2.7. 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.

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.4 General Terms and Conditions (Cont'd)

(G) Subject to paragraphs 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.

(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.4 General Terms and Conditions (Cont'd)

(H) 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 41.189.5) and the amount of MARC-Eligible Charges required to qualify for Plan Shortfall Charges (as provided in Section 41.189.6(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 41.189.4(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.5 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, under-billing 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).

41.189.6 Billing & Credits

(A) Subject Service Non-Recurring Charges.

(1) Tables C and D, below, contain the effective rates for Subject Services under this Contract Offer No. 189. Any rate elements not listed in Tables C and D will be provided at the applicable rates in SWBT Tariff F.C.C No 73, Section 7. Each circuit element (Channel Termination and Mileage) must be located entirely in the MSAs listed in Section 41.189.2(A) to be eligible for these rates.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.6 Billing & Credits (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 Tables C and 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.

Table C:

DS1 Special Access Services Rate Element	**USOC**	**5 Year MRC**
Channel termination - Per Point of Termination-Zone 1	TMECS	$92.00
Channel termination - Per Point of Termination-Zone 2	TMECS	$100.00
Channel termination - Per Point of Termination-Zone 3	TMECS	$110.00
Channel Mileage-Fixed-Zone 1	1L5XX	$34.00
Channel Mileage-Fixed-Zone 2	1L5XX	$37.50
Channel Mileage-Fixed-Zone 3	1L5XX	$40.00
Channel Mileage-Per Mile-Zone 1	1L5XX	$10.00
Channel Mileage-Per Mile-Zone 2	1L5XX	$10.50
Channel Mileage-Per Mile-Zone 3	1L5XX	$11.00
Central Office Multiplexing **DS1** to DS0-Per Arrangement-Zone 1	MQ1, QMU	$160.00
Central Office Multiplexing DS1 to DS0-Per Arrangement-Zone 2	MQ1, QMU	$165.00
Central Office Multiplexing DS1 to DS0-Per Arrangement-Zone 3	MQ1, QMU	$170.00

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.6 Billing & Credits (Cont'd)

(2) (Cont'd)

Table D:

DS3 Rate Elements	USOC	5 YR MRC
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 1	TUZPX	$975.00
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 2	TUZPX	$1,050.00
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 3	TUZPX	$1,125.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 1	10XHX/10XLX	$450.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 2	10XHX/10XLX	$475.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 3	10XHX/10XLX	$500.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 1	1J5HS/1HXLS	$45.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 2	1J5HS/1HXLS	$50.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 3	1J5HS/1HXLS	$55.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 1	MKM	$475.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 2	MKM	$500.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 3	MKM	$500.00

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.6 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 SWBT Tariff F.C.C. No. 73, 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 DS1 and DS3 Subject Services (to be determined separately) that were in service as of the Subscription Date of this Contract Offer.

(C) Credits for Plan Shortfall Charges

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 SWBT Tariff F.C.C. No. 73, 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).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.7 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 41.189.7. 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 offer 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. The calculation of recurring revenue will not include any DS1 Plan Credits issued pursuant to this Contract Offer.

If, upon the initial review or any quarterly review of the Customer's compliance with the Access Service Ratio, the Qualified Companies determine 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.

"Access Revenue" means the Qualified Companies' interstate recurring revenue from the Customer and its "Affiliates" associated with the services defined in Tables E and F, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.7 Access Service Ratio (Cont'd)

Table E:

Service Type	**Service**[1]
Interstate Special Access	OCN (Optical Carrier Network) PTP
	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
	DS0
	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 de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.7 Access Service Ratio (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 F, below.

Table F

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 de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT, F.C.C. Tariff No. 73, Section 2.2.1, the Qualified Companies will acknowledge such transfer or assignment if the criteria in SWBT F.C.C. Tariff No. 73, Section 2.2.1, 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 41.189.8 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.

41. Pricing Flexibility Contract Offerings (Cont'd)

41.189 Contract Offer No. 189 – Access Service Offer (Cont'd)

41.189.8 Assignment/Transfer/Successors (Cont'd)

(D) Notwithstanding anything to the contrary in this Section 41.189.8, 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.

41.189.9 Mergers, Acquisitions, Sales or Divestitures Involving 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.

ACCESS SERVICE

41. 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. 3416.

41. 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. 3416.

ACCESS SERVICE

41. 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. 3416.

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. 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. 3416.

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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ACCESS SERVICE

41. 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. 3416.

ACCESS SERVICE

41. 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. 3416.

ACCESS SERVICE

41. 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. 3416.

ACCESS SERVICE

41. 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. 3416.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

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(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. 3416.

SERVICE

41. Pricing Flexibility Contract Offerings

41.191 Contract Offer No. 191 – Access Service Offer

41.191.1 General Description

This Special Access Service Offer (Contract Offer No. 191) is a Spend Plan with Southwestern Bell Telephone Company ("SWBT" or the "Telephone Company").
Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 191, Contract Offer No. 191 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. 191.

Contract Offer No. 191 will be available for subscription only from November 26, 2015 through December 26, 2015. This offer is not renewable.

41.191.2 Subject and Non-Subject Services

"Spend-Eligible Services" under this Contract Offer No. 191 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 SWBT Tariff F.C.C. No. 73, 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 41.191.4(A).

Category	**Services Included**
Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs)	All Voice Grade (VG), DS0, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility

(This page filed under Transmittal No. 1)

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer (Cont'd)

41.191.2 Subject and Non-Subject Services (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

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, DS0, 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. 191. 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. 191.

(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. 191.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.3 Definitions

As used in this Contract Offer No. 191,

(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,[1] 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 SWBT Tariff F.C.C. No. 73, Section 2.7.

(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 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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.3 Definitions (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

(3) 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;[1] 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.

[1] Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), GigaMAN, DecaMAN, WaveMAN, OPT-E-MAN 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 191:

(A) Contract Offer No. 191 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 SWBT Tariff F.C.C. No. 73, Section 39 and those additional MSAs listed below. During the Term Period of this Contract Offer No. 191, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 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. 191.

Phase I – All Rate Elements (Including Channel Terminations):

Ft. Smith, AR	Memphis, AR	Kansas City, KS	Wichita, KS
Joplin, MO	Kansas City, MO	St. Louis, MO	Oklahoma City, OK
Tulsa, OK	Austin-San Marcos, TX	Dallas-Ft. Worth, TX	Houston, TX
Waco, TX	Wichita Falls, TX		

Phase I – Rate Elements other than Channel Terminations

Non-MSA, KS	Non-MSA, MO	Beaumont, TX	El Paso, TX

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.4 Eligibility Criteria (Cont'd)

(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

(2) no fewer than 4,700 interstate DS3 Circuits but no more than 5,700 interstate DS3 Circuits, 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. 191.

(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 services[1] 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.

[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 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.4 Eligibility Criteria (Cont'd)

(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.

41.191.5 Terms and Conditions
The following Terms and Conditions apply to this Contract Offer No. 191:

(A) Subscription.
To subscribe to Contract Offer No. 191, 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. 191.

(B) Term Period

The term of this Contract Offer No. 191 ("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.

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. 191 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.5 Terms and Conditions (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 in-service at the end of each such Term Month: (i) interstate DS1 Circuits, (ii) interstate DS3 Circuits, and (iii) all AT&T switched Ethernet Circuits.[1] For avoidance of doubt, such a number of such in-service 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 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

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.5 Terms and Conditions (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. 191 (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 41.191.6(E) attributable to such Quarter that were or are issued to Customer under this Contract Offer No. 191.

(D) Credits earned under this Contract Offer No. 191 shall be applied as described in Section 41.191.6, below.

(E) Except as provided in Section 41.191.5(F), credits earned under this Contract Offer No. 191 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. 191 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. 191 and expressly permits the Customer to purchase such services subject to this Contract Offer No. 191 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.5 Terms and Conditions (Cont'd)

(G) Credits to be provided under this Contract Offer No. 191 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. 191.

(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 a Covered TPP, as defined in Section 41.191.6(E), below. Failure to do so would be a material breach of this Contract Offer No. 191, which would allow the Telephone Company to terminate this Contract Offer No. 191; 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 SWBT Tariff F.C.C. No. 73 (Sections 2-General Regulations, 5-Ordering 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. 191.

(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 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. 191), 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. 191, but only with respect to those charges incurred after Customer ceases to be responsible for such ACNAs; and

(12) charges invoiced outside of the Carrier Access Billing System (CABS).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 Credits and Waivers (Cont'd)

(A) Spend Credits (Cont'd)

For each Term Month, subject to Section 41.191.5, 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. 191 ("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. 191, 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 41.191.6(C) or DS1 Plan Credits under Section 41.191.6(D) with respect to a Term Month during the Term Period, Customer and its Qualifying Affiliates must subscribe to DS1 High Capacity Service Portability Commitment (the "Portability Commitment") associated with the DS1 Term Payment Plan for the entirety of such Term Month, except to the extent that the Telephone Company eliminates the DS1 Term Payment Plan or the DS1 High Capacity Service Portability Commitment and Customer is not allowed to re-subscribe. The Customer's commitment level (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) under the Portability Commitment will be set at the aggregate level of Customer's and its Qualifying Affiliates' purchases of DS1 Channel Terminations as of the date the Customer subscribes to this Contract Offer; provided however, that if the Customer is subscribing to the DS1 High Capacity Service Portability Commitment 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 DS1 High Capacity Service Portability Commitment is described in Sections 7.2.22(E) of SWBT FCC Tariff No. 73.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 Credits and Waivers (Cont'd)

(C) Termination Liability Credit

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. 73. 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 41.191.6(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 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 Credits and Waivers (Cont'd)

(D) DS1 Plan Credits

The Telephone Company will provide credits in an amount equal to any charges that apply as a result of Customer failing to maintain a number of Channel Terminations equal to at least 80% of the 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) or any adjustment factor (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) that applies as a result of Customer exceeding 124% of the Commitment Level. Any such credit shall be applied to invoices for Subject Services.

(E) Rate Change Adjustments

The Telephone Company will provide adjustments, as described in this Section , only with respect to any interstate DS1 special access Subject Services and 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:

(1) subscribed to a 60-month term payment plan, or

(2) only if the Telephone Company does not offer a 60-month term payment plan (TPP), subscribed to the term payment plan with the greatest duration offered by the Telephone Company.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 Credits and Waivers (Cont'd)

(E) Rate Change Adjustments (Cont'd)

((1) and (2) are referred to as, collectively, the "Covered TPPs," and individually, a "Covered TPP"). During the Term Period, the Telephone Company shall invoice Customer and its Qualifying Affiliates adjustments in the event that 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 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 payment plan as applicable on the Subscription Date, such increases or decreases will be offset by credits or debits issued against Subject Services.

If such 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 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, 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 41.191.6 (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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.6 Credits and Waivers (Cont'd)

(E) (Con't)

Notwithstanding any other provision in this Contract Offer No. 191,

(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. 191, and

(b) this Section 41.191.6(E) 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 41.190.6(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.

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 41.191.6(E).

(F) Customer shall be issued a one-time credit in the amount of $701,896.00 which will be issued within two (2) months of the Subscription Date.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.7 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 191, 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. 191 to any Qualifying Affiliate, so long as such Qualifying Affiliate otherwise qualifies under this Contract Offer No. 191.

Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 191, any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 191, and any assignment or transfer by the Customer shall be subject to the provisions of Section 41.191.7(B), below. Any assignment or other transfer of this Contract Offer No. 191, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.7 Assignment/Transfer/Successors (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 41.191.4, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.8 Mergers/Acquisitions and Sales/Divestitures

(A) Except as provided in Section 41.191.8(B), all provisions of this Contract Offer No. 191 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. 191 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 41.191.5(C), or be eligible for any credits under this Contract Offer No. 191.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(B) 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. 191 shall be administered and enforced, and any rights or obligations of either party to this Contract Offer No. 191 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 41.191.5(C)) required to qualify for credits under this Contract Offer No. 191 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 41.191.5(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. 191), as well as adjustments for overbilling, underbilling and billing dispute 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 41.191.5(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 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. 191, 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.9 Effect of Contract Offer No. 191 on Any Grandfathering or Sunsetting of Subject Services or Non-Subject Services

Nothing in this Contract Offer No. 191 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.

41.191.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 191 for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates this Contract Offer No. 191 as a result of a material breach by the Customer or any of its Qualifying Affiliates, then this Contract Offer No. 191 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. 191 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).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.191 Contract Offer No. 191 – Access Service Offer(Cont'd)

41.191.10 Termination (Cont'd)

(B) If any portion of this Contract Offer No. 191 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. 191 upon (10) days' written notice to the other.

(C) The Telephone Company may terminate this Contract Offer No. 191, upon not less than fifteen (15) business days written notice, if Customer is obligated under Section 41.191.5(C) to repay the credits and waivers under this Contract Offer No. 191 for two (2) consecutive Quarters. In the event of a termination under this Section, 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 41.191.8(B) applies, (i) the termination of this Contract Offer No. 191 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 191 as it applies to any Divested Entity or Entities, and (ii) the termination of this Contract Offer No. 191 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 191 as it applies to any portion of the Telephone Company remaining under the control of AT&T Inc.

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41. Pricing Flexibility Contract Offerings

41.192 Contract Offer No. 192 – Access Service Offer

41.192.1 General Description

The Special Access Service Offer (Contract Offer No. 192) 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; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Section No. 25, Contract Offer No. 87; and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 222 (collectively, with this Contract Offer No. 192, "Concurrently Subscribed Contract Offers"). NBTC, PBTC, BellSouth and Ameritech, with Southwestern Bell Telephone Company ("SWBT" or the "Telephone Company"), shall be identified herein as the "Qualified Companies." (Nx)

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 192 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 192 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 41.192.5. 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. 192, 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 41.192.2, with the Subject Services set forth in Section 41.192.2(A), and Non-Subject Services set forth in Section 41.192.2(B) and (C).

Contract Offer No. 192 will be available for subscription only from December 29, 2015 through January 28, 2016. This offer is not renewable.

x – Filed under the authority of Special Permission No. 15-022 of the F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.2 Subject and Non-Subject Services

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 SWBT Tariff F.C.C. No. 73, 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 41.192.4(C), below.

(A) Subject Services

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 and DS3, except for any rate elements not subject to pricing flexibility

(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. 192 (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. 192.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.2 Subject and Non-Subject Services (Cont'd)

Table B – Legacy Non-Subject Services

Category	**Services Included**[1]
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

[1] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 - Access Service Offer (Cont'd)

41.192.2 Subject and Non-Subject Services (Cont'd)

Table C - Ethernet Non-Subject Services

Category	**Services Included**[1]
Broadband Interstate Special Access[1]	GigaMAN® (Gigabit Ethernet Metropolitan Area Network) OPT-E-MAN® (Optical Ethernet Metropolitan Area Network) DecaMAN® (10 Gigabit Ethernet Metropolitan Area Network) BellSouth Metro Ethernet Service AT&T Switched Ethernet Services (ASE) 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

[1] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.2 Subject and Non-Subject Services (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. 192. All terms and conditions for those MARC-Eligible Services that are not tariffed are governed by the guidebooks, service guides or contracts. No service purchased by or on behalf of any Affiliate of the 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. 192. A "Permitted Affiliate," as that phrase is used in this Contract Offer No. 192, is an Affiliate of the 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. 192 with its written notice of subscription to this Contract Offer No. 192. "Affiliate" is defined herein as set forth in (Nx) the Communications Act of 1934, as amended. "Wireless Telecommunications Services" is defined as set forth in 47 CFR § 1.907. (Nx)

(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. 192.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 192:

(A) Contract Offer No. 192 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 SWBT Tariff F.C.C. No. 73, Section 39 and those additional MSAs listed below. During the Term Period of this Contract Offer No. 192, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 192.

Phase I – All Rate Elements (Including Channel Terminations)

Ft. Smith, AR	Memphis, AR	Kansas City, KS	Wichita, KS
Joplin, MO	Kansas City, MO	St. Louis, MO	Oklahoma City, OK
Tulsa, OK	Austin-San Marcos, TX	Dallas-Ft. Worth, TX	Houston, TX
Waco, TX	Wichita Falls, TX		

Phase I – Rate Elements other than Channel Terminations

Non-MSA, KS	Non-MSA, MO	Beaumont, TX	El Paso, TX

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.3 Eligibility Criteria (Cont'd)

(B) During the twelve (12) months prior to the Subscription Date (as defined in Section 41.192.4(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. 192 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 41.192.4(C), below) during those twelve (12) months equal to no less than $730 million.

(C) Concurrently Subscribed Contract Offers (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;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 222; and
- BellSouth Tariff F.C.C. No. 1, Section No. 25, Contract Offer No. 87. (Nx)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.3 Eligibility Criteria (Cont'd)

(D) As of the time of the Customer's subscription to this Contract Offer No. 192, 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. 192, Telephone Company will be deemed to have irrevocably waived any claim that the Customer with which Telephone Company negotiated this Contract Offer No. 192, and its Permitted Affiliates, did not meet the requirements set forth in this Section 41.192.3(D).

41.192.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 192:

(A) Subscription

To subscribe to Contract Offer No. 192, 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. 192 for itself and its Permitted Affiliates ("Eligible ACNAs"). For the Customer's subscription to this Contract Offer No. 192 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. 192.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(B) Term Period
The term of this Contract Offer No. 192 ("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. 192 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 41.192.5(A), for each Term Year of this Contract Offer No. 192. 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) 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").

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(C) (Cont'd)

By way of example only for Section 41.192.4(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 41.192.2 of this Contract Offer No. 192, 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;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 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. 192, 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. 192 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.192.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(E) Except as provided in Section 41.192.4(F), credits under this Contract Offer No. 192 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(F) MARC-Eligible Services under this Contract Offer No. 192 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. 192 and expressly permits the Customer or a Permitted Affiliate to purchase such services subject to both this Contract Offer No. 192 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. 192 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. 192; 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(H) To be eligible to earn any of the credits or waivers under Sections 41.192.6(D) or 41.192.6(E) with respect to a Quarter, the Customer and its Permitted Affiliates must be subscribed to DS1 High Capacity Service Portability Commitment (the "Portability Commitment") associated with the DS1 Term Payment Plan for the entirety of such Quarter using only Eligible ACNAs, except to the extent that the Telephone Company eliminates a plan and the Customer and its Permitted Affiliates are not allowed to re-subscribe. The Customer and its Permitted Affiliates' initial Commitment Level (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) for the Eligible ACNAs under the Portability Commitment will be set at the aggregate level of Customer's and its Permitted Affiliates' purchases of DS1 Channel Terminations under the Eligible ACNAs as of the date the Customer subscribes to this Contract Offer No. 192; provided however, that if the Customer and/or its Permitted Affiliates are subscribing to the DS1 High Capacity Service Portability Commitment as of the effective date of this Contract Offer No. 192 and all of their DS1 Channel Terminations are being purchased under Eligible ACNAs that are included under such Portability Commitment, then their initial Commitment Level(s) will remain the same as they were on that date. Eligible ACNAs not included under a Portability Commitment may be added to a Portability Commitment, and the Portability Commitment may be modified, as permitted by SWBT Tariff FCC No. 73. Upon the expiration of a Portability Commitment during the Term Period, the Customer and its Permitted Affiliates must re-subscribe as provided in the first two sentences of this Section using only Eligible ACNAs, except that the Commitment Level will be set as of the effective date of re-subscription. Customer and its Permitted Affiliates shall not use any Eligible ACNAs not included in such Portability Commitment in purchasing DS1 Channel Terminations from the Telephone Company.

The DS1 High Capacity Service Portability Commitment is described in Section 7.2.22(E) of SWBT Tariff FCC No. 73.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(H) (Cont'd)

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, may not be included in the Portability Commitment for Customer and its Permitted Affiliates. This Section does not preclude Customer and/or its Permitted Affiliates from subscribing and/or placing other ACNAs under one or more other, separate DS1 High Capacity Service Portability Commitments.

(1) The Customer and its Permitted Affiliates may, in their sole discretion, terminate any DS1 High Capacity Service Portability Commitment required by this Section as of the last day of the Term Period, without any charges arising from such termination, by providing written notice to the Telephone Company no later than thirty (30) days before the end of the Term Period.

(I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. Tariff No. 73 (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. 192.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.4 Terms and Conditions (Cont'd)

(J) To be eligible to earn any of the credits under Sections 41.192.6(D) with respect to Quarter, no more than 93% of the gross billed monthly recurring charges (without regard to credits, discounts, or other adjustments) for interstate DS3 special access services purchased by the Customer and its Permitted Affiliates can be subject to a Megalink Custom Service term of 60 months or longer ("Percentage Cap"). If the Telephone Company no longer offers a Megalink Custom Service term of at least 60 months, the longest Megalink Custom Service term or its equivalent will be used to calculate compliance with the Percentage Cap (e.g., if a 48-month payment plan is the longest then-offered, the Percentage Cap will be calculated for interstate DS3 special access services with payment plans of 48 months or longer). Compliance with this condition will be determined at the end of such Quarter.

(K) 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. 192 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.5 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 41.192.4(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 41.192.6(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 41.192.6(B) and (C), below.

Any Shortfalls shall be divided among this Contract Offer No. 192 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (Cont'd)

(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. 192 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. 192 and the other Concurrently Subscribed Contract Offers, not to exceed the applicable Quarterly Maximum Credit set forth in Table D, below, applicable to such Term Year. Each Quarterly Credit shall be divided among this Contract Offer No. 192 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. 192 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

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (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. 192 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 41.192.6(B)(2) and analogous provisions of the other Concurrently Subscribed Contract Offers) previously paid by the Customer under this Contract Offer No. 192 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 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.

(C) Annual True-Up Process

(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 41.192.4(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (Cont'd)

(C) Annual True-Up Process (Cont'd)

(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).

(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. 192 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (Cont'd)

(D) Termination Liability Credit. 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):

(1) 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 in-service not less than thirty (30) days; and

(3) Any such DS3 Subject Service must have been in-service 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (Cont'd)

(D) Termination Liability Credit (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 (4) 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 Quarter.

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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.6 Discounts and Other Credits (Cont'd)

(E) DS1 Plan Credits. The Telephone Company will provide credits in an amount equal to any charges that apply as a result of Customer and its Permitted Affiliates failing to maintain a number of Channel Terminations under the Eligible ACNAs equal to at least 80% of the 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) or any adjustment factor (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) that applies as a result of Customer and its Permitted Affiliates exceeding under the Eligible ACNAs 124% of the Commitment Level. Any such credit 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.

(F) 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.7 Assignment/Transfer/Successors

(A) This Contract Offer No. 192 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 41.192.8 (in which case Section 41.192.8 will apply).

(B) Subject to the other requirements in this Contract Offer No. 192, this Contract Offer No. 192 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 41.192.8.

(C) Notwithstanding Section 41.192.7(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 41.192.7(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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont’d)

41.192 Contract Offer No. 192 – Access Service Offer (Cont’d)

41.192.7 Assignment/Transfer/Successors (Cont’d)

(D) (ii) (Cont’d)

(1) Any debt securities of the proposed assignee or transferee or any parent (defined in this Contract Offer No. 192 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.

(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 41.192.7(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.

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.192 Contract Offer No. 192 – Access Service Offer (Cont’d)

41.192.7 Assignment/Transfer/Successors (Cont’d)

(E) Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 192. Any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 192. Further, notwithstanding Section 41.192.7(B), the Telephone Company may also, without the Customer’s consent, assign its rights and obligations under this Contract Offer No. 192 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. 192. For avoidance of doubt, except as provided in Section 41.192.8, 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. 192 and/or its obligations hereunder.

(G) Any assignment or other transfer of this Contract Offer No. 192 or the rights or obligations hereunder, or any attempt to do either, in violation of this Section or Section 41.192.8 shall be void.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.8 Mergers/Acquisitions and Sales/Divestitures

(A) Subject to Sections 41.192.8(B), (C) and (D), all provisions of this Contract Offer No. 192 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 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 (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 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. 192, or be eligible for any credits or waivers under this Contract Offer No. 192.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(A) (Cont'd)

If Customer violates the provisions of this Section 41.192.8(A), then (without limiting any right the Qualifying Companies might otherwise have to terminate this Contract Offer No. 192 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.8 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 - Access Service Offer (Cont'd)

41.192.8 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.8 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.8 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. 192 shall not apply to any ACNA listed in the Customer's written notice of subscription that is assigned or otherwise transferred. Sections 41.192.7(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 41.192.8(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 41.192.8(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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.9 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 41.192.9(A) or 41.192.9(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 pro-rated 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. 192 is terminated due to a material breach by the Telephone Company, any credits under Section 41.192.6(D) would be limited to order activity prior to the effective date of termination, and any credit under Section 41.192.6(E) for the month in which such termination occurs would be pro-rated to the effective date of such termination.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.9 Termination (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 the 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 41.192.3, Section 41.192.4, Section 41.192.5, or Section 41.192.6 of this Contract Offer No. 192 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. 192 upon (10) days' written notice to the other.

(2) If any portion of this Contract Offer No. 192 not addressed by Section 41.192.9(F)(1) is found to be invalid, unenforceable, or otherwise contrary to applicable law, the remaining provisions of this Contract Offer No. 192 will remain in effect.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.9 Termination (Cont'd)

(G) After a transaction to which Section 41.192.8(B) or (C) applies,

(1) the termination of this Contract Offer No. 192 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 192 as it applies to any Divested Entity or Entities, and

(2) the termination of this Contract Offer No. 192 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 192 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 41.192.5(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.192 Contract Offer No. 192 – Access Service Offer (Cont'd)

41.192.10 Effect of Contract Offer No. 192 on Any Grandfathering or Sunsetting of Subject Services or Non-Subject Service

Nothing in this Contract Offer No. 192 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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41. Pricing Flexibility Contract Offerings

41.193 Contract Offer No. 193 – Access Service Offer

41.193.1 General Description

This Special Access Service Offer (Contract Offer No. 193) 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; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 88; and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 223 (collectively, with this Contract Offer No. 193, Concurrently Subscribed Contract Offers). NBTC, PBTC, BellSouth and Ameritech, with Southwestern Bell Telephone Company ("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. 193 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. 193, and certain services purchased from the other Qualified Companies, as set forth in the other Concurrently Subscribed Contract Offers. Contract Offer No. 193 will be available for subscription only from January 29, 2016 through February 28, 2016. This offer is not renewable.

41.193.2 Subject and Non-Subject Services

"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 SWBT Tariff F.C.C. No. 73, 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.

x – Issued under the authority of Special Permission No. 16-001 of the F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.2 Subject and Non-Subject Services (Cont'd)

(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 41.193.4 (A).

Category	Services Included
Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs)	All Voice Grade (VG), DS0, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility

(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. 193.

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.	Any VG, DS0, 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.2 Subject and Non-Subject Services (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. 193. 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. 193.

(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. 193.

41.193.3 Definitions

As used in this Contract Offer No. 193,

(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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.3 Definitions (Cont'd)

(C) (Cont'd)

(3) 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;[1] 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.

[1] 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 193:

(A) Contract Offer No. 193 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 SWBT Tariff F.C.C. No. 73, Section 39 and Phase I pricing flexibility in those additional MSAs listed below. During the Term Period of this Contract Offer No. 193, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 39 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. 193.

Phase I – All Rate Elements (Including Channel Terminations):

Ft. Smith, AR	Memphis, AR	Kansas City, KS	Wichita, KS
Joplin, MO	Kansas City, MO	St. Louis, MO	Oklahoma City, OK
Tulsa, OK	Austin-San Marcos, TX	Dallas-Ft. Worth, TX	Houston, TX
Waco, TX	Wichita Falls, TX		

Phase I – Rate Elements other than Channel Terminations

Non-MSA, KS	Non-MSA, MO	Beaumont, TX	El Paso, TX

(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. 193 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.4 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. 193.

(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 in-service 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.4 Eligibility Criteria (Cont'd)

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

- 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)

41.193.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 193:

(A) Subscription.

To subscribe to Contract Offer No. 193, 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. 193.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.5 Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer No. 193 ("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. 193 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.

(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. 193 may not be extended unless the term periods of all of the other Concurrently Subscribed Contract Offers are identically extended.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.5 Terms and Conditions (Cont'd)

(C) (Cont'd)

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 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 ninety percent (90%) of the aggregate number of the 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 3 June 21, 2016-June 20, 2017	No less than ninety percent (90%) of the aggregate number of in-service 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 in-service 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 in-service 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 in-service interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Companies on June 20, 2017

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.5 Terms and Conditions (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 intrastate DS1 special access circuits ("DS1 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.

(ii) If the DS3 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 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".)

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.5 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. 193.

(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 the installation and/or disconnection of 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 41.193.5.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. 193 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 41.193.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(E) Except as provided in Section 41.193.5(F), credits earned under this Contract Offer No. 193 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.

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.193 Contract Offer No. 193 – Access Service Offer (Cont’d)

41.193.5 Terms and Conditions (Cont’d)

(F) Spend-Eligible Services under this Contract Offer No. 193 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. 193 and expressly permits the Customer to purchase such services subject to this Contract Offer No. 193 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. 193 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 a Portability Commitment, as defined in Section 41.193.6(B), below. Failure to do so would be a material breach of this Contract Offer No. 193, which would allow the Telephone Company to terminate this Contract Offer No. 193. If, however, Customer inadvertently fails to order Special Access Services subject to a Portability Commitment, Customer shall be permitted to cure such failure.

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41. Pricing Flexibility Contract Offerings (Cont’d)

41.193 Contract Offer No. 193 – Access Service Offer (Cont’d)

41.193.5 Terms and Conditions (Cont’d)

(I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of SWBT Tariff F.C.C. No. 73 (Sections 2-General Regulations, 5-Ordering 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. 193.

41.193.6 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. 193), 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:

(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;

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.6 Credits and Waivers (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. 193, 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 41.193.5, the Customer is eligible for a single Spend credit under this Contract Offer No. 193 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. 193 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. 193, 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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.6 Credits and Waivers (Cont'd)

(B) Conditions to Certain Other Credits

To be eligible to earn any of the credits under Section 41.193.6(C) or DS1 Plan Credits under Section 41.193.6(D) with respect to any Term Month during the Term Period, Customer and its Qualifying Affiliates must subscribe to the DS1 High Capacity Service Portability Commitment (the "Portability Commitment") associated with the DS1 Term Payment Plan for the entirety of such Term Month, except to the extent that the Telephone Company eliminates the DS1 Term Payment Plan or the DS1 High Capacity Service Portability Commitment and Customer is not allowed to re-subscribe. The Customer's commitment level (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) under the Portability Commitment will be set at the level of Customer's purchase of DS1 Channel Terminations as of the date the Customer subscribes to this Contract Offer; provided however, that if the Customer is subscribing to the DS1 High Capacity Service Portability Commitment 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 DS1 High Capacity Service Portability Commitment is described in Sections 7.2.22(E) of SWBT FCC Tariff No. 73

(C) 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 non-recurring charges for DS1, DS3 Subject Services in accordance with the Telephone Company's Tariff F.C.C. No. 73 ("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 41.193.6(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:

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.6 Credits and Waivers (Cont'd)

(C) Termination Liability, Special Construction and NRC Credits (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. 193, 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 41.193.6.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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.6 Credits and Waivers (Cont'd)

(C) Termination Liability, Special Construction and NRC Credits (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 41.193.6(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 maintain the minimum number of Channel Terminations, as referenced in Section 41.193.6(B), equal to at least 80% of the 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) or any adjustment factor (as that term is used in connection with the DS1 High Capacity Service Portability Commitment) that applies as a result of Customer exceeding 124% of the Commitment Level. Any such credit shall be issued within ninety (90) days after the end of the Measuring Period and will be applied to invoices for Subject Services.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.6 Credits and Waivers (Cont'd)

(E) Customer shall be issued a one-time credit under this Contract Offer No. 193 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.

41.193.7 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 193, 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. 193 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. 193 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. 193 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. 193, and any assignment or transfer by the Customer shall be subject to the provisions of Section 41.193.7(B), below. Any assignment or other transfer of this Contract Offer No. 193, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.7 Assignment/Transfer/Successors (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 41.193.4, 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 41.193.7(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.8 Mergers/Acquisitions and Sales/Divestitures

(A) Except as provided in Section 41.193.8(B), all provisions of this Contract Offer No. 193 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. 193 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 41.193.5(C), or be eligible for any credits under this Contract Offer No. 193.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.8 Mergers/Acquisitions and Sales/Divestitures

(B) If, during the Term Period, any of the Qualified 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. 193 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 41.193.5(C)) required to qualify for credits under this Contract Offer No. 193 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 41.193.8(B) shall prevent the lawful modification or termination of this Contract Offer No. 193 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. 193 and applicable law and regulation.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 – Access Service Offer (Cont'd)

41.193.9 Effect of Contract Offer No. 193 on Any Grandfathering or Sunsetting of Subject Services or Non-Subject Services

Nothing in this Contract Offer No. 193 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 41.193.10.

41.193.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 193 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. 193 as a result of a material breach by Customer or any of its Qualifying Affiliates, then this Contract Offer No. 193 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. 193 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).

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.193 Contract Offer No. 193 - Access Service Offer (Cont'd)

41.193.10 Termination

(B) If any portion of this Contract Offer No. 193 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. 193 upon ten (10) days' written notice to the other.

(C) After a transaction to which Section 41.193.8(B) applies, (i) the termination of this Contract Offer No. 193 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 193 as it applies to any Divested Entity or Entities, and (ii) the termination of this Contract Offer No. 193 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 193 as it applies to any portion of the Telephone Company remaining under the control of AT&T Inc.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings

41.194 Contract Offer No. 194 – Access Service Offer

41.194.1 General Description

The Special Access Service Offer (Contract Offer No. 194) is a Minimum Annual Revenue Commitment attainment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C No. 2, Contract Offer No. 224; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 89; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 38; and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 174 (collectively, with this Contract Offer No. 194, referred to as the "Concurrently Subscribed Contract Offers". Ameritech, BellSouth, NBTC, and PBTC, together with the Telephone Company, shall be identified herein as the "Qualified Companies." (Nx)

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 41.194.5, below. The MARC consists of certain recurring revenue from "Contributory Services," as defined in Section 41.194.2, below, that the Customer purchases from the Qualified Companies.

Contract Offer No. 194 will be available for subscription only from May 17, 2016 through June 16, 2016. This Contract Offer is not renewable.

41.194.2 Subject and Non-Subject Services

"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. 16-006 of the F.C.C.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.2 Subject and Non-Subject Services (Cont'd)

(A) Subject Services

(1) Subject Services are pricing flexibility qualified 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)	DS1 and 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 SWBT Tariff F.C.C. No. 73, Section 39, 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)

Ft. Smith, AR	Memphis, AR	Kansas City, KS	Wichita, KS
Joplin, MO	Kansas City, MO	St. Louis, MO	Oklahoma City, OK
Tulsa, OK	Austin-San Marcos, TX	Dallas-Ft. Worth, TX	Houston, TX
Waco, TX	Wichita Falls, TX		

Phase I – Rate Elements other than Channel Terminations

Non-MSA, KS	Non-MSA, MO	Beaumont, TX	El Paso, TX

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.2 Subject and Non-Subject Services (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) Non-Subject Services
Non-Subject Services are listed in Table B, below.

TABLE B- Non-Subject Services will be included in calculations related to the "Minimum Annual Revenue Commitment," as defined in Section 41.194.1, but are not otherwise subject to this Contract Offer.

Category	Service[1]
Interstate Special Access Services	Optical Ethernet Metropolitan Area Network (OPT-E-MAN®), AT&T Switched Ethernet℠ 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)

[1] Interstate 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.2 Subject and Non-Subject Services (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.

41.194.3 Eligibility Criteria

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 DS1 and 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 41.194.4.B, below). DS1 and DS3 interstate special access circuits will be considered separately.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.3 Eligibility Criteria

(C) (Cont'd)

Example: If the Customer purchased more than seventy-five percent (75%) of its DS1 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 DS1 Subject Services under this Contract Offer at 5-year rates.

Example: If the Customer purchased more than seventy-five percent (75%) of its DS1 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 DS1 Subject Services under this Contract Offer at 7-year rates.

(A) The Customer must concurrently subscribe to the following Contract Offers: (Nx)

(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. (Nx)

x – Issued under the Authority of Special Permission No. 16-006 of the F.C.C.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.4 General Terms and Conditions

The following General Terms and Conditions apply to this Contract Offer No. 194:

(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.

(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 thirty-nine (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 SWBT Tariff F.C.C. No.73, Section 7 or 39, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.4 General Terms and Conditions (Cont'd)

(C) Service Term

Subject Services must be ordered and purchased subject to the Term Period applicable to either DS1 or DS3 service, respectively, under this Contract Offer, as provided in Section 41.194.3(C) (in either case, referred to as the 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 SWBT Tariff F.C.C. No. 73, Section 7 or 39, 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 SWBTC Tariff F.C.C. No. 73, Section 2.7. 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.4 General Terms and Conditions (Cont'd)

(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.

(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 41.194.5) and the amount of MARC-Eligible Charges required to qualify for Plan Shortfall Charges (as provided in Section 41.194.6(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 41.194.4 (F) 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

41. Pricing Flexibility Contract Offerings (Cont’d)

41.194 Contract Offer No. 194 – Access Service Offer (Cont’d)

41.194.4 General Terms and Conditions (Cont’d)

(G) If, prior to the Customer’s Subscription to this Contract Offer, the Customer subscribed to Contract Offer 189, this Contract Offer will supersede Contract Offer 189.

41.194.5 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, under-billing 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).

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.6 Billing & Credits

(A) Subject Service Monthly Recurring Charges.

(1) Tables C and D, below, contain the effective rates for Subject Services under this Contract Offer No. 194. Any rate elements not listed in Tables C and D will be provided at the applicable rates in SWBT Tariff F.C.C No 73, Section 7. Each circuit element (Channel Termination and Mileage) must be located entirely in the MSAs listed in Section 41.194.2(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 Tables C and 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.

Table C:

DS1 Special Access Services Rate Element	**USOC**	**5 Year MRC**
Channel termination - Per Point of Termination-Zone 1	TMECS	$92.00
Channel termination - Per Point of Termination-Zone 2	TMECS	$100.00
Channel termination - Per Point of Termination-Zone 3	TMECS	$110.00
Channel Mileage-Fixed-Zone 1	1L5XX	$34.00
Channel Mileage-Fixed-Zone 2	1L5XX	$37.50
Channel Mileage-Fixed-Zone 3	1L5XX	$40.00
Channel Mileage-Per Mile-Zone 1	1L5XX	$10.00
Channel Mileage-Per Mile-Zone 2	1L5XX	$10.50
Channel Mileage-Per Mile-Zone 3	1L5XX	$11.00
Central Office Multiplexing **DS1** to DS0-Per Arrangement-Zone 1	MQ1, QMU	$160.00
Central Office Multiplexing DS1 to DS0-Per Arrangement-Zone 2	MQ1, QMU	$165.00
Central Office Multiplexing DS1 to DS0-Per Arrangement-Zone 3	MQ1, QMU	$170.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.6 Billing & Credits (Cont'd)

(2) (Cont'd)

Table D:

DS3 Rate Elements	USOC	5 YR MRC
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 1	TUZPX	$975.00
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 2	TUZPX	$1,050.00
Electrical Channel Termination - AR/KS/MO/OK/TX-Zone 3	TUZPX	$1,125.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 1	10XHX/10XLX	$450.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 2	10XHX/10XLX	$475.00
Interoffice Mileage Fixed MRC - AR/KS/MO/OK/TX-Zone 3	10XHX/10XLX	$500.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 1	1J5HS/1HXLS	$45.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 2	1J5HS/1HXLS	$50.00
Interoffice Mileage-Per Mile-AR/KS/MO/OK/TX-Zone 3	1J5HS/1HXLS	$55.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 1	MKM	$475.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 2	MKM	$500.00
DS3 to DS1 Multiplexing-AR/KS/MO/OK/TX-Zone 3	MKM	$500.00

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.6 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 SWBT Tariff F.C.C. No. 73, 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 DS1 and DS3 Subject Services (which is defined in Section 41.194.3) that were in service as of the Subscription Date of this Contract Offer.

(C) Credits for Termination Liability or Plan Shortfall Charges

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 SWBT Tariff F.C.C. No. 73, 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 41.194.6(C) and is not eligible for termination liability or plan shortfall credits.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.6 Billing & Credits (Cont'd)

(C) Credits for Termination Liability or Plan Shortfall Charges (Cont'd)

(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.
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41.194.7 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 41.194.7. 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%.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.7 Access Service Ratio (Cont'd)

If, during the Term Period, any of the Qualified Companies offer 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. The calculation of recurring revenue will not include any DS1 Plan Credits issued pursuant to this Contract Offer.

If, upon the initial review or any quarterly review of the Customer's compliance with the Access Service Ratio, the Qualified Companies determine 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.

"Access Revenue" means the Qualified Companies' interstate recurring revenue from the Customer and its "Affiliates" associated with the services defined in Tables E and F, 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.7 Access Service Ratio (Cont'd)

Table E:

Service Type	**Service**[1]
Interstate Special Access	OCN (Optical Carrier Network) PTP
	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
	DS0
	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 de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.7 Access Service Ratio (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 F, below.

Table F

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 de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to SWBT Tariff F.C.C. No. 73, Section 2.2.1, the Qualified Companies will acknowledge such transfer or assignment if the criteria in SWBT Tariff F.C.C. No. 73, Section 2.2.1, 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 assignees or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 41.194.8 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.194 Contract Offer No. 194 – Access Service Offer (Cont'd)

41.194.8 Assignment/Transfer/Successors (Cont'd)

(D) Notwithstanding anything to the contrary in this Section 41.194.8, 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.

41.194.9 Mergers, Acquisitions, Sales or Divestitures Involving 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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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer

41.195.1 General Description

This Special Access Service Offer ("Contract Offer No. 195") requires concurrent subscription to this Contract Offer and the following Contract Offers: BellSouth Tariff F.C.C. No. 1, Contract Offer No. 90; Nevada Bell Telephone Company ("NBTC") Tariff F.C.C. No. 1, Contract Offer No. 39; Pacific Bell Telephone Company ("PBTC") Tariff F.C.C. No. 1, Contract Offer No. 175; and Ameritech Operating Companies ("Ameritech") Tariff F.C.C. No. 2, Contract Offer No. 225 (collectively, with this Contract Offer No. 195, "Concurrently Subscribed Contract Offers"). NBTC, PBTC, BellSouth and Ameritech, with Southwestern Bell Telephone Company (the "Telephone Company") shall be identified herein as, collectively, the "Qualified Companies" and singularly, a "Qualified Company."

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 195 and the other Concurrently Subscribed Contract Offers, the Concurrently Subscribed Contract Offers allow eligible Customers to order, renew, extend or convert Subject Services under certain term commitments greater than thirty-six (36) months in length, notwithstanding any provisions to the contrary in the generally applicable tariff provisions, as provided in this Contract Offer No. 195.

Contract Offer No. 195 will be available for subscription only from December 6, 2018, through January 5, 2019. This offer is not renewable.

41.195.2 Subject Services

(A) Subject Services are interstate DS1 special access services provided under this Tariff F.C.C. No. 73.

(B) No service purchased by Customer, or any of its Qualifying Affiliates, for the provision of Wireless Telecommunications Services, shall constitute a Subject Service under this Contract Offer No. 195.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.3 Definitions

As used in this Contract Offer No. 195:

(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) "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

(3) is purchasing for resale or using an input into another service being offered or otherwise provided to non-Affiliates (a) Subject Services, (b) interstate DS1 special access services provided by any of the Qualified Companies on a detariffed basis,[1] or (c) any interstate broadband services provided by any of the Qualified Companies;[2] or

(4) is a customer of record with any of the Qualified Companies for (a) Subject Services, (b) interstate DS1 special access services provided by any of the Qualified Companies on a detariffed basis, or (c) any interstate broadband services provided by any of the Qualified Companies.

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[1] Certain interstate DS1 special access 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 Report and Order in Docket No. 16-143, released April 28, 2017, 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.

[2] 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.

ACCESS SERVICE

41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.3 Definitions (Cont'd)

(C) "Wireless Telecommunications Services" means wireless radio services, whether fixed or mobile, and are subject to regulation on a common carrier basis under federal law.

41.195.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 195:

(A) At the end of August 2018, Customer and its Qualifying Affiliates must have had in-service with the Qualified Companies all of the following:

(1) no fewer than 25,000 interstate DS1 special access services with a local channel but no more than 29,000 interstate DS1 special access services with a local channel; and

(2) interstate DS1 special access services for which "Eligible Charges" were between $7,100,000 and $7,400,000 for the calendar month of August 2018. For purposes of applying these Eligibility Criteria, "Eligible Charges" means billed recurring charges for interstate DS1 special access services after application of any discounts or credits and any adjustments for overbilling, underbilling and billing dispute settlements; provided however, that the amount of Eligible Charges shall not reflect the application of any billing dispute settlement that became effective after August 31, 2018.

Notwithstanding the prior sentence, Eligible Charges exclude temporary service charges; special construction charges; fractional or partial monthly recurring charges; charges for customer premises equipment; charges for services provided by any third-party service provider (i.e., any entity that is not affiliated with the Telephone Company); and taxes, surcharges or government-related charges.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.4 Eligibility Criteria (Cont'd)

(B) Neither Customer nor any of its Qualifying Affiliates can be a provider of Wireless Telecommunications Services.

(C) As of June 30, 2017, Customer must have subscribed to the DS1 Term Payment Plan ("TPP") with DS1 High Capacity Service Portability Commitment ("HCSPC"), as set forth in Section 7.2.22(E)(2) of this Tariff F.C.C. No. 73.

(D) Concurrently Subscribed Contract Offers.

Customer must concurrently subscribe to the following Contract Offers ("Concurrently Subscribed Contract Offers"):

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 39;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 175;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 195;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 225; and
- BellSouth Tariff F.C.C. No. 1, Contract Offer No. 90.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 195:

(A) Subscription.

To subscribe to this Contract Offer No. 195, Customer must submit a Letter of Subscription ("LOS") to the Telephone Company on behalf of itself and all of its Qualifying Affiliates. The LOS must include all of the Access Customer Name Abbreviations ("ACNAs") used by Customer and all of 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. 195.

(B) Term Period

The term of this Contract Offer No. 195 ("Term Period") shall begin on the date that Customer submits a valid and executed LOS to the Telephone Company ("Subscription Date"), and shall end on July 1, 2021, subject to two one-year extensions. Each extension will occur automatically, unless either party provides the other with written notice that it does not wish to extend the Term Period, such notice to be given no later than ninety (90) days prior to the expiration of the then-effective Term Period.

(C) Customer and/or any of its Qualifying Affiliates must order Subject Services from the Telephone Company subject to the TPP with HCSPC, as described in Section 41.195.5(E), below. If Customer inadvertently fails to order Special Access Services subject to a TPP with HCSPC, Customer may cure such failure by submitting any orders necessary to correct the error.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.5 Terms and Conditions (Cont'd)

(D) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of Southwestern Bell Telephone Company Tariff F.C.C. No. 73 (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 this Contract Offer No. 195.

(E) Customer shall subscribe to the TPP with HCSPC, and the Telephone Company shall accept and implement Customer's subscription(s), as set forth in Section 7.2.22(E)(2) of this Tariff F.C.C. No. 73, subject to the following.

(1) Notwithstanding the grandfathering of TPP terms greater than thirty-six (36) months in length (which grandfathering became effective on September 13, 2017), Customer shall subscribe to the TPP with HCSPC under seven-year term commitments, and the Telephone Company shall accept and implement such subscription(s).

(2) Upon expiration of the Term Period, Customer's TPP and HCSPC commitments will be terminated without any termination liability, shortfall, buy-down, or similar charges that would otherwise apply to the termination of a TPP or HCSPC commitment.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.5 Terms and Conditions (Cont'd)

(E) (Cont'd)

(3) If, prior to the expiration of the Term Period, Customer terminates this Contract Offer No. 195 for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates any of the Concurrently Subscribed Contract Offers as a result of a material breach by Customer (including any of its Affiliates), then this Contract Offer No. 195 shall be terminated (if not already terminated) and all Subject Services shall continue to be governed by the applicable TPP and HCSPC commitment, as the rates, terms and conditions of such TPP and HCSPC commitment are described this Tariff F.C.C. No. 73 as of the effective date of termination, except that Subject Services shall remain subject to the TPP with HCSPC with seven-year commitment terms, including the rates associated with those TPP and HCSPC commitment terms.

(F) During the Term Period, Customer shall not convert any Subject Services to unbundled network elements ("UNEs"), purchase any new DS1-equivalent UNEs, or establish any new commingled arrangements.

41.195.6 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 195, 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. 195 to any Qualifying Affiliate, so long as:

(1) the other Concurrently Subscribed Contract Offers are likewise assigned or otherwise transferred in their entirety to that same Qualifying Affiliate; and

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.6 Assignment/Transfer/Successors

(A) (Cont'd)

(2) that Qualifying Affiliate otherwise qualifies under this Contract Offer No. 195 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. 195 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. 195, and any assignment or transfer by Customer shall be subject to the provisions of Section 41.195.6(B), below. Any assignment or other transfer of this Contract Offer No. 195, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

(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 41.195.4, above.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.6 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 41.195.6(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.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.7 Mergers/Acquisitions and Sales/Divestitures

(A) Except as provided in Section 41.195.7(B), all provisions of this Contract Offer No. 195 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 Customer involved in the merger or acquisition purchases any service from the Telephone Company entity, such service shall not be included in this Contract Offer No. 195 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 subject to this Contract Offer No. 195.

(B) If, during the Term Period, any of the Qualified 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. 195 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).

Notwithstanding the foregoing paragraph, nothing in this Section 41.195.7(B) shall prevent the lawful modification or termination of this Contract Offer No. 195 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. 195 and applicable law and regulation.

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41. Pricing Flexibility Contract Offerings (Cont'd)

41.195 Contract Offer No. 195 – Access Service Offer (Cont'd)

41.195.8 Effect of Contract Offer No. 195 on Any Grandfathering or Sunsetting of Subject Services

Nothing in this Contract Offer No. 195 shall prevent the Qualified Companies from terminating the provision of Subject Services or detariffing 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 Offer No. 195 without any termination liability charge.