

TARIFF DISTRIBUTION

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PURPOSE: Price-flex Contract Offer No. 195

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73TC	31.12	0050

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Title page 1 and pages 1 to 41-5 inclusive of this tariff are effective as of the date shown. Original and revised pages as named below and Supplement No. 67 contain all changes from the original tariff that are in effect on the date hereof.

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* New or Revised Page

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¹ Material in this Section has been de-tariffed as required by the Commission upon use of the forbearance relief pursuant to FCC Memorandum Opinion and Order No. 07-180, released October 12, 2007. 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)41.195 Contract Offer No. 195 - Access Service Offer41.195.1 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.

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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.

⁽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>.

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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.

(N)

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ACCESS SERVICE

(N)

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 entirety, 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.

(N)

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