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INTERSTATE PRODUCT REFERENCE AND PRICING GUIDEBOOK

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SECTION 2 – TERMS AND CONDITIONS

In this Agreement ("Agreement"), "you" and "your" mean the Customer of SNET America, Inc. d/b/a AT&T Long Distance East long distance services. "We," "our" and "us" means AT&T LD East. Capitalized terms are defined in Section 1 of these Product Reference and Pricing Guidebooks ("Guidebooks").

This Agreement consists of the following General Terms and Conditions and the specific terms and conditions of your long distance service or calling plan. It applies to any interstate or international long distance service provided to you by AT&T LD East. The specific terms and conditions of your AT&T LD East service or calling plan are in Section 3 of these Guides. You may obtain a copy of the Guides by calling the Service Center at the number printed on your monthly telephone bill. Or you can access the Guides on our website, via <http://www.att.com/servicepublications>

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1. Undertaking of AT&T LD East. AT&T LD East, an affiliate of The Southern New England Telephone Company ("AT&T Connecticut") and AT&T Inc., provides service for communications originating and terminating within the United States (U.S.) or certain international points. AT&T LD East's services may be marketed as "All Distance"<sup>®n1</sup>. AT&T LD East arranges for installation, operation, and maintenance of the service as stated in this Agreement. AT&T LD East may stop furnishing service as stated in this Agreement.
2. Changes to This Agreement. Except where we have made a commitment to a rate for a specific period of time, which can be no longer than 30 days unless the agreement between us is in writing, our rates are subject to change at any time. The current rates are available in our Guides or by calling the Service Center. Except as otherwise provided in a written agreement between the Parties, we may amend or modify any term or condition of this Agreement. The Telephone Company may also modify its billing practices or late charges by providing you prior written notice of the modification.

Your acceptance of such change, or of the current rates posted in our Guides, is indicated by your continued enrollment in, or use of, our services. We will not provide advance notice of changes to taxes or surcharges unless required by law. No amendment or modification that you make of any term or condition will be effective against us unless it is signed by one of our authorized representatives.

3. Limitation on Service. We offer service where the necessary facilities and equipment are available. We may decline applications for service to or from a location where these facilities or equipment are not available. We reserve the right to:
  - (A) discontinue or limit service when required by conditions beyond our control or when service is used in violation of provisions in this Agreement or the law.
  - (B) refuse to process Third Party Billed calls based on the originating or terminating location of the call or when the billed party and/or standard validation techniques cannot confirm acceptance of the call.
  - (C) limit service or impose conditions required to meet regulatory or legal rules and standards, when the rules and standards have a material effect on the business or economic feasibility of providing service, as we determine in our reasonable judgment.
  - (D) add, change or discontinue services at any time.

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We are not liable for errors in transmission or for failure to establish connections. We may rely on third parties to provide portions of our service. We select the third party vendors and reserve the right to change the vendors at any time.

4. Assignment or Transfer. We control all services provided under this Agreement directly or indirectly. Neither you nor the Aggregator may transfer or assign the use of service without our express prior written consent. We may permit such transfer or assignment only where there is no interruption of the service's use or location. All terms and conditions of this Agreement and all conditions of the specific service apply to all such permitted transferees or assignees.



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10. Restoration of Service. If your service is stopped for nonpayment or other reasons and you want it restored, we will restore your service at our discretion, when the past due amounts and any applicable security deposit and/or advanced payment are paid, or the reason for the service cancellation is corrected.
11. If You Cancel Your Service Application. No cancellation charge applies if you cancel a service application prior to the start of service installation, or prior to the start of special construction. A charge may apply, however, if you cancel a service application after the start of installation or special construction. Cancellation charges may be specified in your written contract, if one is applicable. Otherwise, the cancellation charge will be equal to the costs we have incurred, but it will not be greater than the charge for the minimum period of service. In addition, applicable installation charges may apply.
12. Initial Contract Period. Your initial contract period for service is one month unless otherwise stated in this Agreement or agreed to in writing by the Parties. Thereafter, contract periods will be for successive one-month periods unless otherwise stated in this Agreement, or by written agreement of the parties.
13. Bill Payment, Late Payment Charges and Other Fees. All calls may be subject to a minimum billing period based upon the individual service or calling plan, a service charge for operator handled calls and Directory Assistance calls. Service is provided and billed on a monthly basis. AT&T LD East, your Telephone Company, or another AT&T LD East affiliate or agent may issue your bill for AT&T LD East services. (D)

Any payment made to the Telephone Company will first be applied to Basic Charges listed on your telephone bill. The balance will be applied to Non-Basic Charges, including AT&T LD East interstate and international long distance calling charges. Failure to pay Non-Basic Charges, including AT&T LD East interstate and international long distance calling charges, will result in termination of *all* Non-Basic Services and further collection action.

The current amount of the possible late payment charges, interest or other fees is stated on your monthly telephone bill. These charges may change as set forth in Section 2. To avoid these charges, you must ensure that we receive full payment of the total amount due on your bill no later than the date shown on your bill. You will also be charged a fee for any check returned to us by your bank. In addition to these fees, we reserve the right to terminate this Agreement and the Telephone Company reserves the right to terminate Basic and Non-Basic Services if you pay late or if your bank returns your check to us.

You are responsible for payment of all charges for service furnished to you, your agents, customers, or End Users. You must report any objections to billed charges promptly to our billing agent or us. The security of your Authorization Codes is your responsibility. All calls placed using your codes will be billed to you and will be your obligation. You will not be responsible for charges in connection with the unauthorized use of your codes that occur after you notify us of the loss, theft, or other breach of security of your codes. (D)

14. Disputed Bills. If you think your bill is incorrect, call the Service Center. If the service representative cannot resolve your concerns, ask to speak with a manager. If you are still not satisfied, you may ask for a review of the disputed amount. You must ask for the review within 60 days from the date of the bill containing the disputed amount, or seven days after receiving a termination notice.

The undisputed portion and subsequent bills must be paid on time, or your AT&T LD East service and other Non-Basic Services may be terminated as described in Section 13. If after the review, the Telephone Company or we believe that you owe us the disputed charges, you will promptly pay the charges plus any applicable late payment charges and/or interest.

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15. Deposits and Advance Payments. We and/or our billing agents reserve the right to examine your credit record and to require security deposits. If your financial condition is unknown or unacceptable, a security deposit may be required which will be applied to overdue charges. The security deposit will be equal to two months' estimated usage but may vary with your credit history and projected usage. After nine months, your account will be reviewed and if good credit has been established, the deposit will be refunded in full. The establishment of good credit requires that bills be paid on time each month. If your service has been discontinued for nonpayment, AT&T LD East may require a security deposit before service is restored. The fact that a security deposit has been made does not relieve you from the requirement to promptly pay your bill. If your payment or usage patterns change, we may request an additional security deposit.

We and/or our billing agents reserve the right to require an advanced payment from you instead of, or in addition to, a security deposit. The advanced payment shall be equal to or less than estimated installation charges plus two months' estimated billing.

16. Credit Report to Credit Agencies. As authorized by law, for residential accounts, we supply payment information to credit rating agencies. If your account is more than sixty (60) days delinquent, the delinquency could harm your credit rating.
17. Inspection, Testing and Adjustment. Upon reasonable notice, facilities or equipment provided to you by us will be made available to us for tests and maintenance adjustments. We may interrupt service at any time, without penalty or liability, if you fail to provide access for such tests or due to the departure from, or the reasonable suspicion of the departure from, any of these terms and conditions. No interruption allowance will be granted for such tests and adjustments, unless the interruption exceeds twenty-four hours and you request the allowance.
18. Interconnection. Our service may be interconnected with services or facilities of other authorized common carriers and with private systems, subject to technical limitations established us. We do not undertake to provide any special facilities, equipment, or services for such interconnection. Our service is not part of a joint undertaking with such common carriers or systems. Such interconnection shall be under the applicable terms and conditions of this Agreement and other common carrier's agreements. You shall ensure that your facilities or equipment are properly interconnected with our facilities or equipment. If you maintain or operate the interconnected facilities or equipment in a manner which results or may result in harm to our facilities, equipment, personnel, or the quality of service, we may, upon written notice, terminate your existing service.
19. Our Liability. Our liability to you or any third party is limited. This limitation applies to any claim for injury or damage against us that relates to any problem with our service or anything that we did or failed to do relating to our service or this Agreement. Our liability is limited to an amount that is not more than what we charged you for our services for the period covered by your claim. We are not liable for any incidental, indirect, special or consequential damages, including lost revenue or profit of any kind whatsoever, regardless of their cause of foreseeability. We are not liable for interruptions, delays, errors, or defects in transmission.

We are not liable for service provided to you by the Telephone Company or any other common carrier. We are not liable to you for any problem that is due to any cause beyond our control. Such causes include, without limitation, acts of God, third parties, nature, or a lawful authority, national emergencies, or labor difficulties. We are not liable for any injury caused by you, your agents, or by facilities or equipment provided by you.

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20. **Your Liability.** You shall indemnify, defend and hold harmless AT&T LD East (including reasonable attorney's fees) against:
- (A) Claims for libel, slander, infringement of copyright or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information, or other content transmitted over our facilities or equipment;
  - (B) Claims for patent infringement arising from combining or connecting our facilities or equipment with facilities, equipment, apparatus or system used by you; and
  - (C) All other claims (including claims for damage to any business or property, or injury to, or death of, any person) arising out of any act or omission of you, or your agents, End Users, or your customer, in connection with the use of any of our services, facilities or equipment.
21. **Dispute Resolution.** Any dispute between the Parties will be resolved exclusively and finally by arbitration administered by and under the rules of the National Arbitration Forum ("NAF"). If the NAF ceases to exist, the Parties will agree on another arbitration forum. The arbitration will be conducted by a single arbitrator and will be limited solely to the dispute between us. The arbitration may not be consolidated with any other dispute or arbitration or conducted on a class-wide or class action basis. The arbitration will be held at any reasonable location near your residence or by telephone at your option. If you win the arbitration, we will reimburse any fees that you paid to the NAF for the arbitration. We will not pay any other costs or fees that you incur. You are not responsible to pay any of the fees we incur.
- If either Party tries to bring a dispute in a forum other than the NAF, the arbitrator may award the other party its reasonable costs and expenses, including attorney's fees, incurred in staying or dismissing the dispute. You understand that in the absence of these Section 21 provisions, you could have sued us in a court and you could have consolidated your dispute with other disputes on a class-wide or class action basis. By accepting this Agreement, you have expressly and knowingly waived those rights and agreed to resolve any disputes through binding arbitration. The judgment of the arbitrator may be entered in any court having jurisdiction. Information concerning such arbitration may be obtained at the NAF website, [www.arb-forum.com](http://www.arb-forum.com), by calling 800-474-2371 or by writing P.O. Box 50191, Minneapolis, MN, 55405.
22. **Taxes and Local Charges.** Federal excise tax and state and local sales, use, and similar taxes shall be billed as separate line items. In certain instances, you may be subject to local exchange company charges or message unit charges to access our network or to terminate calls. AT&T LD East is not responsible for any of these local charges.
23. **Obligations of the Aggregator.** When service is provided to the transient public through an Aggregator, the Aggregator must comply with the requirements of 47 U.S.C. §226(c) and any access requirements or rules that the Federal Communications Commission (FCC) sets forth.
24. **Universal Service Fund (USF) Charge.** Telecommunications services provided by the Company are subject to a Universal Service Fund Charge. The Universal Service Fund provides telecommunications and information services to schools, libraries and rural health care facilities; it also serves to subsidize local service to high cost areas and low-income households. This Universal Service Fund (USF) charge will be identified on the bill as "Federal Universal Service – Interstate" and will be found in the "Other fees" section of the bill. The FCC Contribution factor is subject to change quarterly. The current factor can be found at <http://www.fcc.gov/omd/contribution-factor.html>.

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25. Cancellation of Term Plan. In the event of an early termination of a term plan, the amount of any early termination charges will be determined in accordance with the following:

(A) Customer Cancels – MAC has been met:

If the Customer cancels a term plan in the last year of that term plan and the Customer has met the MAC for that year, no term plan early termination fee applies.

(B) Customer Cancels – MAC has not been met:

If the Customer cancels a term plan and the MAC has not been met for the current year or for any additional years remaining in the term plan agreement, the early termination fee is equal to 50% of the unmet MAC for each of the additional years remaining on the term plan agreement.

(C) Customer Cancels – MMC for current month has been met (Customer subscribing to all other plans except Business Flat Rate Plan and AT&T High Volume Calling Plans)

The early termination fee shall be 50% of the MMC times the number of months remaining in the complete term.

(D) Customer Cancels – MMC for current month has not been met (Customer subscribing to all other plans except Business Flat Rate Plan and AT&T High Volume Calling Plans)

The early termination fee shall be 50% of the unmet MMC for the current month plus 50% of the MMC times the number of months remaining in the complete term.

26. Revenue and Term Plan Commitments

(A) General

- .1 The terms and conditions for qualifying for each specific offering are described in Section 3 of this Guidebook. Business Customers subscribing to one of the Company's High Volume Calling plans Block of Time on a 2-Year or 3-Year term plan commitment are required to sign term plan agreements.
- .2 By committing to a MAC or an MMC, the Customer commits to spending a predetermined dollar revenue volume, either annually in the case of a MAC or monthly in the case of an MMC.
- .3 By making a term plan agreement, the Customer commits to remain a Customer of Company for a specified length of time.

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INTERSTATE PRODUCT REFERENCE AND PRICING GUIDEBOOK

SECTION 2 – TERMS AND CONDITIONS

26. Revenue and Term Plan Commitments (continued)

(B) Calculation of MAC and MMC (continued)

.1 Customer Subscribes To any of the Company's High Volume Calling Plans

Revenue associated with any of the Company's High Volume Calling Plans contributes towards meeting the MAC or MMC as described below. If a Customer subscribes to other inbound or outbound services, the revenue will not be counted when calculating whether or not the Customer has met the MAC or MMC commitment for the High Volume Calling.

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.a A MAC or MMC commits the Customer to paying the Company a predetermined amount of revenue resulting from:

.i 1+ Outbound domestic and International usage;

.ii domestic inbound usage and usage charges associated with Canadian Toll Free Service;

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.iii monthly recurring, ancillary, and administrative charges associated with the Company's PRI-ISDN where available; and

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.iv any credits associated with a qualified usage item.

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.b Charges associated with directory assistance Service, monthly recurring charges and one time charges, taxes and surcharges, reductions because of promotions (free minutes or reduced price per minute), and adjustments that are not associated with a particular usage item are not included in determining whether the Customer has met the MAC or MMC.

.c For Customers subscribing to Outbound Service with one BTN, all qualified usage generated under all of the Customer's WTNs billed under that BTN will be totaled to determine if the Customer has met the MAC or MMC for the Customer's BTN.

For Customers subscribing to TFS with one BTN, all qualified usage generated under all of the Customer's TFS Numbers associated with that BTN will be totaled to determine if the Customer has met the MAC or MMC for the Customer's BTN.

.d For selected Services, a Customer with multiple BTNs can group those BTNs together into one Aggregation ID such that all usage within this group can be combined.



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26. Revenue and Term Plan Commitments

(B) Calculation of MAC and MMC (continued)

.2 This section applies to Customers that subscribes to any of the Business Optional Calling Plans, except those Business Optional Calling Plans in Section 3.9.7.3 of this Guidebook.

Only revenue associated with the Business Optional Calling Plans contributes towards meeting the MMC. If a Customer subscribes to other inbound or outbound Services, the revenue will not be counted when calculating whether or not the Customer has met the MMC associated with the Service. (D)  
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.a A MMC commits the Customer to paying the Company a predetermined amount of revenue resulting from:

.i 1+ outbound domestic and International usage;

.ii domestic inbound usage and usage charges associated with Canadian Toll Free Service;

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.iii any credits associated with a qualified usage item. (C)

.b Charges associated with directory assistance Service, monthly recurring charges and one time charges, taxes and surcharges, reductions because of promotions (free minutes or reduced price per minute), and adjustments that are not associated with a particular usage item are not included in determining whether the Customer has met the MMC or MAC.

.3 This section applies to Customers that subscribe to the Business Domestic Saver or any Small Business Optional Calling Plan with the number "15" (e.g. Business Domestic Saver 15, etc.) in its name. The rules and regulations for the calculation of the MMC are the same as those described in this Section of this Guidebook except International usage does not contribute to meeting the MMC.

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SECTION 2 – TERMS AND CONDITIONS

26. Revenue and Term Plan Commitments (continued)

(B) Calculation of MAC and MMC (continued)

.4 Reserved for future use

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SECTION 2 – TERMS AND CONDITIONS

26. Revenue and Term Plan Commitments (continued)

(C) Calculation of UUF, Revenue Commitment shortfall, Current Term Plan Agreements

.1 Unmet MAC With Term Plan

If a Customer subscribing to any of the Company's High Volume Calling Plans (HVCP), remains on the same HVCP but fails to meet its MAC, the Customer will be billed the difference between the actual usage and the unmet MAC within two (2) billing cycles of the Customer's yearly anniversary date.

.2) Unmet MMC

.a If a Customer subscribing to any of the Company's Business Optional Calling Plans fails to meet its MMC in any given billing month, the Customer will be billed the difference between the actual usage revenue and the unmet MMC within two (2) billing cycles of the billing period in which the shortfall occurred.

.b Customers subscribing to any of the Company's High Volume Calling Plans and committing to an MMC will be given up to a three (3) month period for usage ramp up before any UUF is accessed. If a Customer subscribing to any of the Company's High Volume Calling Plans subscribes to an MMC on any date other than the first day of the billing cycle, the partial first month is counted as a full month when determining the length of the ramp up.

(D) Customer Changes

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.1 Customers that subscribe to any of the Company's High Volume Calling Plans with a MAC or MMC combined with a term plan agreement and who wish to: (a) change MAC or MMC; (b) change the length of a term plan agreement; or (c) change their Calling Plan to any other High Volume Calling Plan; must cancel their current term plan agreement and agree to a new term plan agreement with new begin/end dates unless otherwise indicated in this Guidebook

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The Company will not charge an early termination fee and/or under utilization fee (ETF/UUF) when a Customer cancels an existing term plan agreement with a MAC if at the same time the Customer agrees to replace some or all of their existing service with Internet Protocol (IP) service, Wireless, or any functionally equivalent service from an Affiliate of the Company for the purpose of placing outbound and/or inbound live voice communications outside of the customer's local calling area

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INTERSTATE PRODUCT REFERENCE AND PRICING GUIDEBOOK

SECTION 2 – TERMS AND CONDITIONS

26. Revenue and Term Plan Commitments (continued)

(D) Customer Changes (continued)

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.2 When a Customer cancels an existing term plan agreement and signs a new term plan agreement for the same or different Business Optional Calling Plan with a MAC or MMC from the Company, a UUF may apply. The UUF is equal to the lesser of the following and applies if the dollar value is greater than zero:

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.a the difference between the dollar value of the unpaid portion of the Customer's Total Revenue Commitment on the Customer's current term plan agreement and the dollar value of the Customer's Total Revenue Commitment for its new term plan agreement, or

.b 50% of the unpaid portion of the Customer's Total Revenue Commitment on the Customer's current term plan agreement that is being cancelled at the request of the Customer.

The Company will not charge an early termination fee and/or under utilization fee (ETF/UUF) when a Customer cancels an existing term plan agreement with a MAC if at the same time the Customer agrees to replace some or all of their existing service with Internet Protocol (IP) service, Wireless, or any functionally equivalent service from an Affiliate of the Company for the purpose of placing outbound and/or inbound live voice communications outside of the customer's local calling area

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.3 Customer Cancels – MAC Has Been Met

If the Customer cancels a term Business Optional Calling Plan in the last year of that term plan and the Customer has met the MAC for that year, no term plan early termination fee applies.

.4 Customer Cancels – MAC Has NOT Been Met

Unless otherwise indicated in this Guidebook if the Customer cancels a term Business Optional Calling Plan and the MAC has not been met for the current year or any additional years remaining in the term plan agreement, the early termination fee is equal to 50% of the unmet MAC for the current year and 50% of the unmet MAC for each additional years remaining on the term plan agreement.

.5 Customer Cancels – MMC for current month Has Been Met (Customer Subscribing to Business Optional Calling Plans)

The early termination fee is equal to the 50% of the MMC times the remaining number of months in the complete term.

.6 Customer Cancels – MMC for current month Has NOT Been Met (Customer Subscribing to all Small Business Optional Calling Plans)

The early termination fee shall be the 50% of the unmet MMC for the current month plus 50% of the MMC times the number of months remaining in the complete term.

INTERSTATE PRODUCT REFERENCE AND PRICING GUIDEBOOK

SECTION 2 – TERMS AND CONDITIONS

26. Revenue and Term Plan Commitments (continued)

(D) Customer Changes (continued)

- .7 Customers that subscribe to any of the Company’s Small Business Optional Calling Plans with an MRC or MMC combined with a term plan agreement, and who wish to: (1) change the length of a term plan agreement; or (2) change their Calling Plan to any other Calling Plan with MRC or MMC; Customer must cancel their current term plan agreement and agree to a new term plan agreement with new begin/end dates unless otherwise indicated in this Guidebook

**ETF/UUF**

- .a Customers who cancel this service prior to the expiration date of their current term plan agreement and who do not qualify under .i and .ii below will be required to pay an ETF/UUF. The ETF/UUF shall be 50% of the full MRC or MMC rate in effect for this plan at the time of termination multiplied by the number of months remaining in the term.

- .b The Company will not charge an (ETF/UUF) when a Customer cancels an existing term plan agreement if at the same time the Customer agrees to a new term plan agreement for a different Business calling plan with an MRC or MMC from the Company

- .c The Company will adjust to zero any ETF/UUF when:  
the Customer cancels an existing term plan agreement with an MRC or MMC if at the same time the Customer agrees to replace some or all of their existing service with Internet Protocol (IP) service, Wireless, or any functionally equivalent service from an affiliate of the Company for the purpose of placing outbound and/or inbound live voice communications outside of the Customer's local calling area; or

27. The Services and Service Components provided under this Pricing Guidebook shall not be used to support the performance of any portion of a project or program which has been funded in whole or in part with grants, loans or payments made pursuant to the American Recovery and Reinvestment Act of 2009 (“ARRA”), without the prior written agreement of AT&T and Customer regarding any specifically applicable terms, conditions and requirements. Customer shall provide AT&T with prior written notice before placing any order that may be funded in whole or in part with ARRA funds. If Customer fails to provide such prior written notice of ARRA funding; or if the parties cannot agree on the terms and conditions (if any) applicable to an ARRA funded order; or if any terms, conditions or requirements (other than those to which AT&T specifically agrees in such separate writing) are found to be applicable, then AT&T may, in its sole discretion, reject such order or immediately terminate provision of any affected Service or Service Component without further liability or obligation.