

LOCAL EXCHANGE SERVICE

A. Reserved for Future Use

B. Reserved for Future Use

C. Reserved for Future Use

D. Business Service

1. Reserved for Future Use

(C)

(D)

(D)

LOCAL EXCHANGE SERVICE (cont'd)

D. Business Service (cont'd)

- 1. Reserved for Future Use

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LOCAL EXCHANGE SERVICE (cont'd)**D. Business Service (cont'd)**

2. Term Pricing Plan (TPP) – Governmental Entities

The TPP is obsolete for government customers, except for existing business customers at existing locations for the remainder of their term who subscribed to the plan prior to December 31, 2004.

a. Governmental Entity

Governmental Entities include all federal, state and local governmental bodies, including any branches thereof, and all subordinate bodies lawfully created to carry out any governmental function. The term may include, for example, the following:

- The United States, the State of Texas or any other state;
- a county; a municipality; a publicly-funded hospital;
- a public school district; a municipal or county fire department;
- a federal, state, county, or police department or agency;
- a water district or authority; and
- any other subordinate body, department, commission, or agency lawfully created by the federal, state, or local government to carry out any governmental function, power, duty, or purpose.

b. The Term Pricing Plan (TPP) provides federal, state or local governmental entities (as defined in paragraph D.2.a) with optional term discounts off the existing month-to-month rates for the services listed in paragraph D.2.k. The TPP provides for 12-, 24-, 36-, 48- or 60-month Service Terms. To qualify, the customer must sign a Term Pricing Plan Agreement, establishing the Service Term duration and the discount off existing month-to-month rates in effect at the time of the agreement. All rules, terms & conditions, fees and surcharges applicable to the services listed in paragraph D.2.k will also apply under the TPP.

c. Effective April 30, 2004 the rate provisions in this paragraph will only apply to customers with existing TPP agreements. Customers subscribing to or renewing TPP agreements on or after April 30, 2004 will be subject to the rate provision in paragraph D.2.d. If the Company increases the month-to-month rates of the services listed in paragraph D.2.k, the affected TPP customers will continue to pay the discounted rates off the month-to-month rates that were in effect at the time the customer signed a TPP Agreement. If the Company decreases the month-to-month rates of the services listed in paragraph D.2.k, the affected TPP customers will pay the discounted rates off the month-to-month rates applicable to the new Rate Group level of their exchange as of the effective date of the change.

d. For TPP agreements established or renewed on or after April 30, 2004, the discount rate will remain fixed through the life of the commitment as set forth in paragraph D.2.k. However, if the month-to-month business access line rates set forth in paragraph D.1.a change during the term period, the price per month will change accordingly. The Company will notify customers if the month-to-month business access line rates changes.

LOCAL EXCHANGE SERVICE (cont'd)**D. Business Service (cont'd)**

2. Term Pricing Plan (TPP) – Governmental Entities (cont'd)

- e. TPP customers may choose to terminate an existing TPP Agreement before the end of the 12-, 24-, 36-, 48- or 60-month Service Term and request a new TPP Agreement for a Service Term that is equal to or greater than the previous Agreement or to change the existing service to other services provided by the Company under another term pricing plan agreement. The TPP Agreement or term pricing plan agreement for other services must be based upon the rates that are currently in effect.
- f. TPP customers must provide the Company with a written notice of intent to renew a TPP Agreement no later than 90 days prior to its expiration. A new TPP Agreement will be renewed for a 12-, 24-, 36-, 48- or 60-month Service Term at a discount off the currently existing month-to-month rates at the time a renewed Agreement is signed. If the customer elects not to renew the TPP Agreement, or does not notify the Company of the customer's intent to renew the TPP Agreement, the service will automatically be billed under the month-to-month rates in effect at the time the TPP Agreement expires.
- g. TPP customers requesting the termination of a TPP Agreement prior to the expiration date (excluding a TPP Agreement terminated as a result of the customer requesting a new TPP Agreement that is equal to or greater than their existing Agreement, or changing their existing service to other services provided by the Company under another term pricing plan agreement), will be charged a termination charge pursuant to paragraph D.2.h. Payment of the termination charge does not release the customer from other previous amounts owed to the Company.
- h. Effective April 30, 2004 the termination charge provisions in this paragraph will only apply to customers with existing agreements. Customers subscribing to or renewing TPP agreements on or after April 30, 2004 will be subject to the termination charge provisions in paragraph D.2.i. The termination charge shall be the lesser of:
 - 1. The difference between the Term Pricing Plan Agreement Service Term rates and the rates for the next lower Service Term times the months actually completed plus interest charges based on the cost of money in effect at the time of termination; or
 - 2. The total monthly payments remaining on the Term Pricing Plan Agreement.

Example: If a customer wishes to terminate a 5-year Term Pricing Plan Agreement after completing 40 months of the Agreement then the termination charge would be equal to the difference in the monthly rates between the 5-year Service Term rate and the 3-year Service Term rate (i.e., the next lower Service Term completed) times the present worth of an annuity for 40 months at the cost of money in effect at the time of termination. The other termination charge calculation would be equal to the total amount of the 20 monthly payments remaining on the 5-year Term Pricing Plan Agreement. The termination charge is the lesser of the two calculations.

LOCAL EXCHANGE SERVICE (cont'd)**D. Business Service (cont'd)**

2. Term Pricing Plan (TPP) – Governmental Entities (cont'd)

- i. For Term Pricing Plans agreements established or renewed on or after April 30, 2004, the termination charge shall be thirty percent of the monthly payments remaining on the term period for each business access line or trunk service contained in the service agreement. Payment of the termination charge does not release the customer from other previous amounts owed to the Company.
- j. Customers currently subscribing on a month-to-month basis to services listed in paragraph D.2.k may convert their existing service to a Term Pricing Plan Agreement of either a 12-, 24-, 36-, 48- or 60-month Service Term. Nonrecurring and Service Connection Charges will be waived at the time of conversion.
- k. The following discounts off the month-to-month rates for 1-Party, Multi-Line Hunting, and PBX Trunk Business Local Exchange Services (as listed in paragraph D.1) apply to all Rate Groups.

<u>Term</u>	<u>Discount</u>
12-month	6.0%
24-month	7.0%
36-month	9.0%
48-month	10.0%
60-month	12.0%

LOCAL EXCHANGE SERVICE (cont'd)**D. Business Service (cont'd)**

3. Term Pricing Plan (TPP) – Business

The Term Pricing Plan (TPP) is obsolete for business customers, except for existing business customers at existing locations for the remainder of their term who subscribed to the plan prior to December 31, 2004.

- a. TPP provides optional term discounts for business customers. Eligible services under TPP are 1-Party, Multi-Line Hunting and PBX Trunk business local exchange service. Business flat rate access line and trunk services that rate reference the eligible services listed above are also eligible for the TPP (hereinafter referred to as "eligible services"). TPP is offered in all local exchange Rate Groups 1-8. TPP provides for 12-, 24-, 36-, 48- or 60-month discounts.
- b. All terms and conditions, fees and surcharges normally applicable to eligible services apply. Service connection charges will also apply.
- c. To qualify, the customer subscribing to the TPP must commit to an oral or written service agreement as prescribed by the Company, establishing the term period and discount percentage to be applied to the monthly rate in effect at the time the customer enters into the service agreement. A record of all such agreements will be retained for at least the duration of the contract period.
- d. Effective April 30, 2004 the rate provisions in this paragraph will only apply to customers with existing TPP agreements. Customers subscribing to or renewing TPP agreements on or after April 30, 2004 will be subject to the rate provision in paragraph D.3.e. If the Company increases the month-to-month business access line rates set forth in Part 4, Section 2, the affected TPP customers will continue to pay the discounted rates off the month-to-month rates that were in effect at the time the customer established the service agreement. If the Company decreases the month-to-month rates during the term period, the affected TPP customers will pay the discounted rates off the new month-to-month applicable rates in the appropriate rate group effective on the date of the change.
- e. For TPP agreements established or renewed on or after April 30, 2004, the discount rate will remain fixed through the life of the commitment as set forth in paragraph D.3.i, however, if the month-to-month business access line rates set forth in Part 4, Section 2 change during the term period, the price per month will change accordingly. The Company will notify customers if the month-to-month business access line rates changes.
- f. TPP customers may choose to terminate an existing service agreement before the end of the term period without paying termination charges provided they negotiate a new service agreement with a term that is greater than the existing term and contains an equal or greater number of business access lines than their existing service agreement. The new service agreement will be based upon the monthly business access line rates in effect at the time the new service agreement is established. Termination charges will also not apply if a customer upgrades to another Company service under a service agreement whose term period is equal to or greater than the term period remaining on the service agreement being terminated. Customers requesting the termination of a service agreement prior to the expiration date, excluding the circumstances mentioned above, will be charged a termination charge. Payment of the termination charged does not release the customer from other previous amounts owed to the Company.

LOCAL EXCHANGE SERVICE (cont'd)

D. Business Service (cont'd)

3. Term Pricing Plan (TPP) – Business (cont'd)

- g. Upon expiration of a service agreement, the service will automatically be billed at the monthly rates set forth in Part 4, Section 2, in effect at the time the service agreement expires, unless a new service agreement is negotiated.
- h. When a TPP customer moves service from one service location to another, the duration and discount associated with the service agreement is not affected. If the applicable local exchange access monthly rate changes as a result of the move, the monthly rate at the new service location will be based on the rate in effect at the time of the move. Termination charges do not apply if the customer agrees to continue the service agreement at the new service location and retain local exchange access lines that equal or exceed the number of lines that were connected at the old service location. If termination charges or service agreement renegotiations are applicable, terms and conditions as specified in paragraphs D.3.f and D.3.i apply.
- i. Effective April 30, 2004 the termination charge provisions in this paragraph will only apply to customers with existing agreements. Customers subscribing to or renewing Term Pricing Plan agreements on or after April 30, 2004 will be subject to the termination charge provisions in D.3.j. Payment of the termination charge does not release the customer from other previous amounts owed to the Company. The termination charge shall be thirty percent of the monthly payments remaining on the term period for each business access line or trunk service contained in the service agreement plus all waived and/or unpaid non-recurring charges.
- j. For TPP agreements established or renewed on or after April 30, 2004, the termination charge shall be thirty percent of the monthly payments remaining on the term period for each business access line or trunk service contained in the service agreement. Payment of the termination charge does not release the customer from other previous amounts owed to the Company.
- k. New customers are eligible for the TPP discounts listed in paragraph D.3.10. Customers currently subscribing to eligible services on a month-to-month basis may convert their existing service to a 12-, 24-, 36-, 48- or 60-month term periods. Appropriate Service Connection Charges will apply at the time of conversion.
- l. Monthly rate discounts for eligible services as specified in paragraph D.3.a are:

<u>Term</u>	<u>Discount</u>
12-month	6.0%
24-month	7.0%
36-month	9.0%
48-month	10.0%
60-month	12.0%

LOCAL EXCHANGE SERVICE (cont'd)**E. Business Access Line Term Volume Discount (TVD)**

Effective June 30, 2012, new service agreements for the Business Access Line Term Volume Discount (TVD) pricing plan will no longer be available to new or existing customers.

1. Description

The Business Access Line Term Volume Discount (TVD) offer provides eligible business customers who commit to a minimum access line volume commitment and term plan a discount on eligible Network Access Lines and Trunks.

2. Terms and Conditions

- a. The TVD Plan provides optional term and volume discounts for business customers from rates as provided in paragraph D. Eligible services under TVD are Business 1-Party, Multi-Line Hunting, and PBX Trunks and any services that rate reference these Lines/Trunks. TVD provides for 12-, 24-, 36 and 48-month term discounts.
- b. All rules, terms and conditions, fees and surcharges normally applicable to eligible TVD services apply. Local and state additional charges, taxes, surcharges and the End-User Common Line Charge are not volume discount eligible under this offer.
- c. To qualify, the customer subscribing to the TVD Plan must commit to a service agreement as prescribed by AT&T Texas establishing the term period, minimum access line volume commitment and discount percentage to be applied to the monthly recurring rates in effect at the time the customer enters into the service agreement. The discount rate will remain fixed through the life of the commitment, however if the base rates for lines/trunks change, the price per month will change accordingly.
- d. The TVD Plan requires the customer to commit to a minimum volume of access lines. The total number of access lines within the state will apply toward the volume commitment. At any month during the term, if the total number of lines in the state is less than the minimum, an Adjustment Charge will appear on the customer's designated Master Billing Telephone Number for the state. A \$20.00 per-line Adjustment Charge will be billed for the number of lines under the minimum line volume commitment for each month the number of lines is below the minimum.
- e. The 12-month term is also available as a 12-month re-subscribe agreement. Under the 12-month re-subscribe option, the plan will renew for 12-month intervals. A maximum of two 12-month terms are available after the first 12-month term. The customer will receive written notification of their selection outlining the details of the agreement, plus subsequent notifications regarding their re-subscribe options prior to the expiration of each 12-month term. The customer is under no obligation to re-subscribe after completion of a 12-month term period.
- f. This offer may not be combined with Custom BizSaver, Custom BizSaver II, Easy Rate, SimpleLink, SimpleLink Enhanced, CompleteLink or CompleteLink 2.0 offers.
- g. Upon expiration of a 12-, 24-, 36- or 48-month service agreement, the service will automatically be billed at the monthly rates set forth in paragraph D., in effect at the time the service agreement expires, unless a new service agreement is negotiated.

LOCAL EXCHANGE SERVICE (cont'd)

E. Business Access Line Term Volume Discount (TVD) (cont'd)

3. Prices

<u>Access Line Volume Commitment</u>	<u>12-month Term</u>	<u>24-month Term</u>	<u>36-month Term</u>	<u>48-month Term</u>
Minimum 1 line	5%	7%	9%	9.5%
Minimum 5 lines	5.5%	7.5%	9.5%	10%
Minimum 11 lines	6%	8%	10%	10.5%
Minimum 31 lines	7%	9%	11%	11.5%
Minimum 101 lines	8%	10%	12%	12.5%
Minimum 201 lines	9%	11%	13%	13.5%

4. Application of Rates

At the time a customer subscribes to TVD, applicable nonrecurring charges (NRCs) associated with the lines/trunks will be waived for customers coming to AT&T Texas from other carriers. Standard NRCs will apply to lines/trunks added subsequent to the initial order.

5. Termination Charges

- a. If the customer terminates the TVD agreement prior to the expiration of the 12-, 24-, 36- or 48-month service term, the customer shall pay a termination charge. Payment of the termination charge does not release the customer for amounts previously owed to the Company. The termination charge shall be:
 - All unpaid special Construction charges or nonrecurring charges (excluding any waived charges); plus
 - Thirty percent (30%) of all recurring charges for the remaining months of the customer's term based on the minimum access line volume commitment.
- b. TVD customers may choose to terminate an existing service agreement before the end of the term period without paying termination charges provided they negotiate a new TVD service agreement whose term period is equal to or greater than the term period remaining on the existing TVD service agreement and retains local exchange access lines that equal or exceed the minimum access line volume commitment under the existing agreement. The new service agreement will be based upon the monthly business recurring rates in effect at the time the new service agreement is established.
- c. Termination charges will also not apply if a customer converts to another local AT&T service agreement whose term period is equal to or greater than the term period remaining on the existing TVD service agreement and retains local exchange access lines that equal or exceed the minimum access line volume commitment under the existing agreement. Customers requesting the termination of a service agreement prior to the expiration date, excluding the circumstances mentioned above, will be charged a termination charge.

LOCAL EXCHANGE SERVICE (cont'd)

E. Business Access Line Term Volume Discount (TVD) (cont'd)

5. Termination Charges (cont'd)

- d. When a TVD customer moves service from one service location to another, the minimum access line volume commitment, duration and discount associated with the service agreement is not affected. If the applicable local exchange access monthly rate changes as a result of the move, the monthly rate at the new service location will be based on the rate in effect at the new service location. Termination charges and Adjustment Charges do not apply if the customer agrees to continue the service agreement at the new service location and retains local exchange access lines that equal or exceed the minimum access line volume commitment that were under TVD service agreement at the old service location.

LOCAL EXCHANGE SERVICE (cont'd)

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AT&T TEXAS GUIDEBOOK

PART 20 - Grandfathered Services
SECTION 4 - Exchange Access Services

1st Revised Sheet 12
Replacing Original Sheet 12

LOCAL EXCHANGE SERVICE (cont'd)

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