

ACCESS SERVICE  
CHECK SHEET

The Title Page and Pages 1 through 35-6 inclusive of this tariff are effective as of the date shown.

<u>Page</u>	Number Revisions Except as Indicated		<u>Page</u>	Number Revisions Except as Indicated
1	8 <sup>th</sup> Revised	*		
31-8	3 <sup>rd</sup> Revised	*		
31-9	3 <sup>rd</sup> Revised	*		
32-63	1 <sup>st</sup> Revised	*		
32-69	1 <sup>st</sup> Revised	*		
32-71	1 <sup>st</sup> Revised	*		
32-72	1 <sup>st</sup> Revised	*		
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32-317	1 <sup>st</sup> Revised	*		
32-320	1 <sup>st</sup> Revised	*		
32-321	1 <sup>st</sup> Revised	*		

\* Indicates new or revised page

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## ACCESS SERVICE

31. The FairPoint Telephone Companies Rates and Charges (Cont'd)31.4 End User Access Service (Cont'd)

31.4.17	<u>Federal Universal Service Fund (FUSF) Surcharge - Primary Residence Subscriber, Primary Residence Centrex Subscriber, Single Line Business Subscriber, and Multi-line Payphone Subscriber</u>		(T) (T)
		<u>Rate Per Month</u>	
	Individual line or trunk, each		
	(A) Maine, New Hampshire, and Vermont	\$0.71	(I)
31.4.18	<u>Federal Universal Service Fund (FUSF) Surcharge - Non-Primary Residence Subscriber and Non-Primary Residence Centrex Subscriber</u>		
	Individual line or trunk, each		
	(A) Maine, New Hampshire, and Vermont	\$0.71	(I)
31.4.19	<u>Federal Universal Service Fund (FUSF) Surcharge - BRI ISDN Subscriber</u>		
	ISDN Basic Service, each		
	(A) Maine, New Hampshire, and Vermont	\$1.36	(I)
31.4.20	<u>Federal Universal Service Fund (FUSF) Surcharge - PRI ISDN Subscriber</u>		
	Digital Transport Facility provided as ISDN Primary Service, each		
	(A) Maine, New Hampshire, and Vermont	\$12.86	(I)
31.4.21	<u>Federal Universal Service Fund (FUSF) Surcharge - Multiline Business Subscriber (non-PBX)</u>		
	Individual line or trunk, each		
	(A) Maine, New Hampshire, and Vermont	\$1.05	(I)

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## ACCESS SERVICE

31. The FairPoint Telephone Companies Rates and Charges (Cont'd)31.4 End User Access Service (Cont'd)31.4.22 Federal Universal Service Fund (FUSF) Surcharge - Private Branch Exchange (PBX) Trunk with End User Port Charge (Direct Inward Dialing [DID]/FlexData)

- Individual line or trunk, each

(A) Maine, New Hampshire, and Vermont \$1.24 (I)

31.4.23 Federal Universal Service Fund (FUSF) Surcharge - Private Branch Exchange (PBX) Trunk without End User Port Charge (all other PBX)

- Individual line or trunk, each

(A) Maine, New Hampshire, and Vermont \$1.05 (I)

31.4.24 Federal Universal Service Fund (FUSF) Surcharge - Business Centrex Subscriber (non-ISDN)

(A) Maine, New Hampshire, and Vermont

	<u># Lines</u>	<u>Rate Per Line, Per Month</u>	
Individual Business Centrex Service, each	1	\$1.05	(I)
	2	0.53	
	3	0.35	
	4	0.27	
	5	0.21	
	6	0.18	
	7	0.15	
	8	0.13	
	9 and over	0.12	

31.4.25 Federal Universal Service Fund (FUSF) Surcharge On Other Incidental Charges

An FUSF Surcharge of 0.113 will be applied to the Change in Presubscription Charge. (I)

31.4.26 Federal Universal Service Fund (FUSF) Surcharge Special Access Services FUSF Surcharge

An FUSF Surcharge Factor of 0.113 will be applied to the customer's interstate Special Access monthly charges. (I)

31.4.27 Federal Universal Service Fund (FUSF) Surcharge On Presubscribed Interexchange Carrier Charges

An FUSF Surcharge Factor of 0.113 will be applied to the customer's Presubscribed Interexchange Carrier Charges. (I)

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32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27(A) Scope

Contract Tariff Option 27 (Option 27) is offered for an initial service commitment period of two (2) years and provides a customer with billing credits when it meets certain total billed revenue (TBR) thresholds set forth in (B)(3) following for the qualifying services set forth in (E)(1) following (TBR for qualifying services). Calculation of TBR for qualifying services shall be in accordance with this Option 27.

(B) Eligibility

The customer must meet all of the criteria set forth following in order to be eligible to receive the credits, terms, and conditions under this Option 27.

- (1) A customer subscribes to Option 27 by submitting a written authorization in a manner designated by the Telephone Company or its predecessor during the thirty (30) day period which begins on April 30, 2005 and ends May 30, 2005 (Subscription Period).
- (2) During the twelve (12) month period prior to the commencement of the Initial Service Period (as defined in (C) following), the customer must have achieved a minimum of \$16,390,000 (\$16.39M) in monthly billed recurring revenue for all Qualifying Services (as defined in (E)(1) following) purchased by the customer from the Telephone Company. (C)
- (3) During each year of the Service Period, the customer must achieve a TBR, as described in (B)(4) following, for Qualifying Services (as defined in (E)(1) following) of not less than \$13,490,000 (\$13.49M). (C)
- (4) In order to receive any Billing Credit (as defined (E)(2)(b)(1) following) other than a Billing Credit of \$0, as calculated across this Option 27, the customer must achieve during each year of the Service Period a minimum TBR in Qualifying Service of at least \$16.39M. (C)

The TBR for Qualifying Services shall be calculated using the criteria and mechanism set forth in this Option 27. The amount of the Billing Credits shall vary depending on the level of TBR for Qualifying Services achieved by the customer during the Service Period, and such Billing Credits shall be calculated in accordance with the terms and conditions of this Option 27.

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS Services and Qualifying Services (Cont'd)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (1) Qualifying FMS Services and Qualifying Services (Cont'd)

## (e) Sale of Operating Telephone Company

(1) If some or all of the assets or stock of a Operating Telephone Company are acquired by an unaffiliated third party (Acquired FP Telco), and the Telephone Company does not provide the Qualifying Services to the customer after such time, then the following terms and conditions shall apply, in addition to any other terms and conditions set forth in this tariff.

(a) Each range or tier of the TBR for Qualifying Services set forth in the applicable Table B in (E)(2)(b) following shall be proportionately reduced by the Acquisition Reduction Amount (as defined below);

(b) all Billing Credits set forth in the applicable Table B in (E)(2)(b) following shall be reduced by a percentage which shall be calculated by dividing the Acquisition Reduction Amount by \$16.39M; and (C)

(c) in calculating the Shortfall Penalty or Termination Liability, as set forth in (E)(3) and (E)(5) following, respectively, the TBR of \$13.49M for Qualifying Services shall be reduced by the Acquisition Reduction Amount as calculated below. For example, if the Acquisition Reduction Amount, as calculated below, is \$1M, then a Shortfall Penalty will not be assessed if the customer has a TBR for Qualifying Services of at least \$12.49M (the minimum TBR for Qualifying Services of \$13.49M less the Acquisition Reduction Amount of \$1M). (C)  
(C)

(2) An Acquisition Reduction Amount shall be calculated for the Qualifying Services as follows:

(a) calculate the TBR for Qualifying Services, as applicable, purchased by Customer from the Acquired FP Telco during the twelve (12) months prior to the time that the Acquired FP Telco ceases to provide the Services;

(b) calculate the average monthly amount purchased by the customer from the Acquired FP Telco by dividing the number in (a) above by 12; and

(c) multiply the average monthly amount for Qualifying Services calculated in (b) above by the number of months remaining in the Service Period.

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (2) Calculation of TBR and Billing Credit

## (a) Calculation of MRC and the Quarterly Credit

Subject to the terms of this Section (E)(2), the customer is eligible to receive a Quarterly Credit (Quarterly Credit) on a quarterly basis (i.e., a 3 month period), for each of the first three quarters of each year of the Service Period. The Quarterly Credit is not provided in the fourth quarter of any year of the Service Period. In order to be eligible for the Quarterly Credit, the customer's MRC for the Qualifying Services for the applicable quarter was equal to or greater than \$4.0975M. If the customer's MRC in a given quarter is less than \$4.0975M, but the customer's TBR for Qualifying Services on an annualized basis is greater than \$16.39M, the customer shall still be ineligible for the Quarterly Credit in such quarter. The Quarterly Credit shall be equal to seventy-five percent (75%) of the eligible quarterly credit amount as determined in accordance with the applicable Table A set forth below. The Quarterly Credit shall be credited to the customer's account by the Telephone Company at any time between the 45th day and the 60<sup>th</sup> day following the end of the applicable quarterly period.

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At the end of each of the first three quarters of each year of the Service Period, the Telephone Company shall:

- (1) calculate the total MRC for the Qualifying Services achieved by Customer during the prior three month period, in accordance with the terms and conditions set forth in this Option 27. The terms of (E)(1)(b), (E)(1)(c) and (E)(2)(c) relating to Disputed Charges shall not apply to this quarterly calculation of the Quarterly Credit; and
- (2) calculate the Quarterly Credit for Qualifying Services for such quarter, in accordance with the applicable Table A set forth below (i.e., depending on whether the applicable quarter is in year 1 or year 2 of the Service Period, the appropriate Quarterly Credits set forth in the applicable Table A shall apply).

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (2) Calculation of TBR and Billing Credit (Cont'd)

## (b) Calculation of the TBR and Billing Credit at the end of each Annual Period

- (1) No later than the 60<sup>th</sup> day following the end of each year of the Service Period, the Telephone Company shall calculate the total TBR for Qualifying Services achieved by the customer during such year of the Service Period in accordance with the terms and conditions set forth in this Option 27, including Sections (E)(1)(b), (E)(1)(c) and (E)(2)(c). Subject to the terms and conditions relating to disputes as set forth in (E)(2)(c) following, and subject to any reductions and adjustments as set forth herein, the customer shall be eligible to receive the applicable credit set forth in the applicable Table B below (the Billing Credit), which Billing Credit may be \$0 or more depending on the customer's TBR for the Qualifying Services during such year of the Service Period.
- (2) If the customer has not met the minimum TBR for Qualifying Services of \$13.49M in each year of the plan, or the adjusted minimum TBR for the Qualifying Services pursuant to (E)(1)(e) preceding, then the customer shall be liable for the Shortfall Penalty (as defined in (E)(3) following) and shall in addition be required to return all Quarterly Credits previously paid by the Telephone Company during such year of the Service Period. (C)
- (3) If the customer's TBR for Qualifying Services in each year of the plan is \$13.49M or greater but less than \$16.39M (or the corresponding adjusted TBRs pursuant to (E)(1)(e) preceding), then no Shortfall Penalty shall apply, and the customer shall not be eligible for any Billing Credit for such year of the Service Period. In addition, the customer shall be required to return all Quarterly Credits previously paid by the Telephone Company during such year of the Service Period. (C)

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(b) Reserved for Future Use

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(b) Reserved for Future Use

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(b) Reserved for Future Use

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (2) Calculation of TBR and Billing Credit (Cont'd)

## (b) Calculation of the TBR and Billing Credit at the end of each Annual Period (Cont'd)

## Year 1

Table A

Quarterly Credit (quarterly)		
MRCs for Qualifying Services (in Millions)		Credit (in Millions)
From	To	Amount
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

Table B

Billing Credit (annual)		
TBR for Qualifying Services (in Millions)		Credit (in Millions)
From	To	Amount
\$0.00	\$2.10*	\$0.00
\$2.68	\$2.56	\$0.00
\$2.56	\$2.68	\$0.065
\$2.68	\$2.81	\$0.188
\$2.81	\$2.94	\$0.349
\$2.94	\$3.07	\$0.388
\$3.07	\$3.20	\$0.401
\$3.20	and above	\$0.414

## Year 2

Table A

Quarterly Credit (quarterly)		
MRCs for Qualifying Services (in Millions)		Credit (in Millions)
From	To	Amount
\$3.37	\$4.10	\$0.00
\$4.10	\$4.31	\$0.120
\$4.31	\$4.51	\$0.348
\$4.51	\$4.72	\$0.648
\$4.72	\$4.93	\$0.720
\$4.93	\$5.14	\$0.745
\$5.14	and above	\$0.769

Table B

Billing Credit (annual)		
TBR for Qualifying Services (in Millions)		Credit (in Millions)
From	To	Amount
\$0.00	\$13.49*	\$0.00
\$13.49	\$16.39	\$0.00
\$16.39	\$17.22	\$0.481
\$17.22	\$18.05	\$1.394
\$18.05	\$18.88	\$2.595
\$18.88	\$19.71	\$2.883
\$19.71	\$20.54	\$2.980
\$20.54	and above	\$3.076

\* Shortfall Penalty as set forth in (E)(3) following applies in this range for Qualifying Services.

All amounts will be rounded up or down to the nearest \$10,000.

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(c) Timing of Payments and Billing Credits; Disputes; Releases and Waivers (Cont'd)

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32. Contract Tariffs (Cont'd)

32.12 Contract Tariff Option 27 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(c) Timing of Payments and Billing Credits; Disputes; Releases and Waivers (Cont'd)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (2) Calculation of TBR and Billing Credit (Cont'd)

## (c) Timing of Payments and Billing Credits; Disputes; Releases and Waivers (Cont'd)

(5) With respect to any dispute for Qualifying Services, the customer must provide sufficient claim detail to enable the Telephone Company to appropriately assess the dispute, including but not limited to, the Billing Account Number (BAN), circuit ID, USOC detail, amount in dispute, appropriate tariff references, and a full explanation regarding why the customer believes it was billed in error. The customer also agrees to separately identify all disputes related to the Qualifying FMS Services.

(6) The amount of the Billing Credit shall not be subject to any interest penalty.

## (3) Shortfall Penalty

If the customer does not satisfy the minimum TBR requirement for Qualifying Services of \$13.49M in each year of the plan, the customer will pay the Telephone Company a shortfall payment equal to fifty percent (50%) of the difference between minimum TBR of \$13.49M, or the adjusted minimum TBR requirement as set forth in (E)(1)(e) preceding, for Qualifying Services and Customer's actual annual TBR for Qualifying Services during such year of the Service Period (the Shortfall Penalty). In addition, and even upon payment of the Shortfall Penalty as set forth in the prior sentence, the customer will not be eligible to receive any applicable Billing Credits under this Option 27, and shall in addition be required to return all Quarterly Credits previously paid by the Telephone Company during such year of the Service Period (but not for prior years). If the customer has a TBR for Qualifying Services of at least \$13.49M, or the adjusted minimum TBR requirement adjusted as set forth in (E)(1)(e) preceding, in each year of the Service Period, then no Shortfall Penalty, as set forth in this Section (E)(3), shall apply, but the customer may be ineligible for any Billing Credits, as set forth in the table below, based on the customer's TBR for Qualifying Services for such year of the Service Period.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (3) Shortfall Penalty (Cont'd)

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Shortfall Penalties shall not be applicable to any quarterly calculation of TBR for Qualifying Services and the corresponding Quarterly Credit. However, in accordance with (E)(2) preceding, the customer is not eligible for a Quarterly Credit if the TBR for Qualifying Services is less than \$4.0975M in such quarter.

(C)

## (4) Option to Terminate Second Year of Plan

The customer has the option to terminate its subscription to this Option 27 at the end of the year 1 of the Service Period. If the customer elects to exercise this option, the customer must notify the Telephone Company in writing of the same no later than the end of the eleventh (11<sup>th</sup>) month of year 1 of the Service Period. If the customer does not notify The Telephone Company in writing by such date, then the customer will be deemed to have opted to continue to abide by the terms and conditions of this Option 27 through the end of year 2 of the Service Period. Upon its exercise of the option to terminate as set forth in this Section (E)(4), and other than as explicitly set forth in this Option 27, all obligations of the customer and the Telephone Company under this Option 27 shall be extinguished as of last day of year 1 of the Service Period. Termination liability for termination of this Option 27, as set forth in (E)(5) following shall not apply if the customer exercises the termination option set forth in this Section (E)(4).

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.12 Contract Tariff Option 27 (Cont'd)(E) Terms and Conditions (Cont'd)

## (5) Termination Charges

Other than as set forth in (E)(3) preceding, if the customer or terminates its subscription to this Option 27 at any period of time prior to the expiration of the Service Period, the customer will be liable for fifty percent (50%) of the difference between the customer's TBR for Qualifying Services at the time of cancellation or termination and the minimum TBR for Qualifying Services of \$13.49M, or the adjusted minimum TBR requirement as set forth in (E)(1)(e) preceding, as applicable, for the specific year of the Service Period in which cancellation or termination occurred. In addition, the customer shall not be eligible for the Billing Credit, and must refund any Quarterly Credits previously paid by the Telephone Company to the customer during such year of the Service Period.

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Unless superseded by the terms and conditions set forth in this Option 27, all terms and conditions, including termination liability and minimum period obligations, as stated in other sections of this tariff, apply to all Qualifying Services under this Option 27. Upon any termination under this Option 27, the terms and conditions of this tariff (other than the terms of this Option 27) shall continue to apply with respect to all Qualifying Services provided under this tariff.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (1) Revenue Performance Credits (RPCs)

- (a) Subject to the terms set forth in (M) and (N) following, if the customer achieves a certain TBR for each Plan Year as set forth in the table below, then the customer will be eligible for the corresponding RPC amount for such Plan Year (i.e., the Plan Year just ends), as set forth in the following RPC Table (Eligible RPC Amount).

RPC Table

<u>TBR During Each Plan Year</u>	<u>Plan Year 1 RPC</u>
Less than \$25.34M	None (\$0)
Greater than or equal to \$25.34M but less than \$25.65M	\$0.758M
Greater than or equal to \$25.65M but less than \$25.96M	\$0.970M
Greater than or equal to \$25.96M	\$1.152M

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RPC Table

<u>TBR During Each Plan Year</u>	<u>Plan Year 2 RPC</u>	<u>Plan Year 3 RPC</u>
Less than \$25.34M	None (\$0)	None (\$0)
Greater than or equal to \$25.34M but less than \$25.65M	\$0.794M	\$0.819M
Greater than or equal to \$25.65M but less than \$25.96M	\$0.986M	\$0.998M
Greater than or equal to \$25.96M	\$1.152M	\$1.152M

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (1) Revenue Performance Credits (RPCs) (Cont'd)

- (b) Subject to the restrictions set forth in the immediately succeeding sentence, on the fifteenth (15<sup>th</sup>) calendar day of each Plan Year, and on the one hundred eightieth (180<sup>th</sup>) calendar day of each Plan Year (other than in Plan Year 1, where the second credit shall be provided on December 1, 2007), the Telephone Company will provide to the customer an RPC credit amount equal to \$.576M, for a total of \$1.152M in each Plan Year (individually and collectively, RPC Credit). Such RPC Credit is subject to a partial or total refund if the customer does not meet or exceed a TBR of \$25.34M for such Plan Year (i.e., the Plan Year just ends). The amount of the refund of the RPC Credit shall be equal to the difference between (a) the Eligible RPC Amount that the customer would have been eligible for (based on the tier in the table in Section (H)(1)(a) preceding into which the customer falls) and (b) \$1.152M. Such determination shall be made at each Annual True-Up as described in (M) following. No RPC Credit will be due if the TBR for that Plan Year is less than \$25.34M. The maximum Eligible RPC Amount available during any Plan Year is \$1.152M.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (1) Revenue Performance Credits (RPCs) (Cont'd)

## (c) Application of a Debit (if any)

If the customer is required to refund to the Telephone Company some (or all) of the RPC Credit, the Telephone Company shall enter a debit on its CABS billing to the customer as soon as reasonably possible, which generally will be approximately thirty (30) days following the completion of the Annual True-Up described in (M) following. Such debit shall be issued on BANs of the customer that are associated with the Services in MSAs where the Telephone Company has received pricing flexibility. The customer shall pay to the Telephone Company such refund amount no later than the due date set forth on such bill.

## (2) TBR Credits

TBR Credits are comprised of Quarterly TBR Credits and Annual TBR Credits

## (a) Quarterly TBR Credits

- (1) Subject to the terms of (M) and (N) following, if the customer achieves a TBR as set forth in the Quarterly TBR Credit Table set forth in (H)(2)(a)(4) following for one (1) or more of the first three (3) Quarters of each Plan Year, then the customer will be eligible for the corresponding Quarterly TBR Credit for such Quarter, as set forth in the Quarterly TBR table in (H)(2)(a)(4) following. Quarterly TBR Credits are subject to an Annual True-Up as described in (M) following.
- (2) The Quarterly TBR Credit shall be determined at the end of each of the first three (3) Quarters of each Plan Year by calculating the TBR for Services for the Quarter just ends in accordance with (G) preceding. There shall be no Quarterly TBR Credit due in the last Quarter (i.e., Quarter 4) of each Plan Year. No Quarterly TBR Credit will be due if the TBR for the Quarter just ends is less than \$6.335M.
- (3) If the customer is eligible to receive one (1) or more Quarterly TBR Credits, the Telephone Company will provide a credit on its CABS billing to the customer within sixty (60) days following the end of the applicable Quarter.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (2) TBR Credits (Cont'd)

## (a) Quarterly TBR Credits

## (4) Quarterly TBR Credit Table

<u>Quarterly TBR</u>	<u>Plan Year 1 Quarterly TBR Credit</u>	<u>Plan Year 2 Quarterly TBR Credit</u>	<u>Plan Year 3 Quarterly TBR Credit</u>
Less than \$6.335M	None (\$0)	None (\$0)	None (\$0)
Greater than or equal to \$6.335M but less than \$6.413M	\$0.042M	\$0.066M	\$0.091M
Greater than or equal to \$6.413M but less than \$6.490M	\$0.054M	\$0.082M	\$0.110M
Greater than or equal to \$6.490M	\$0.064M	\$0.096M	\$0.128M

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (2) TBR Credits (Cont'd)

## (b) Annual TBR Credits

- (1) Subject to the terms of (M) and (N) following, if the customer achieves an annual TBR as set forth in the Annual TBR Credit Table in (H)(2)(b)(2) following for each Plan Year, then the customer will be eligible for the corresponding Annual TBR Credit for such Plan Year (i.e., the Plan Year just ends), as set forth in the Annual TBR table in (H)(2)(b)(2) following. The applicable Annual TBR Credit is the aggregate TBR Credit amount, if any, for which the customer is eligible during each Plan Year, and includes any Quarterly TBR Credits that may have been previously provided during such Plan Year.

## (2) Annual TBR Credit Table

<u>Annual TBR</u>	<u>Plan Year 1 Annual TBR Credit</u>
Less than \$25.34M	None (\$0)

Greater than or equal to \$25.34M but less than \$25.65M	\$0.170M
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Greater than or equal to \$25.65M but less than \$25.96M	\$0.214M
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Greater than or equal to \$25.96M	\$0.256M
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<u>Annual TBR</u>	<u>Plan Year 2 Annual TBR Credit</u>	<u>Plan Year 3 Annual TBR Credit</u>
Less than \$25.34M	None (\$0)	None (\$0)

Greater than or equal to \$25.34M but less than \$25.65M	\$0.266M	\$0.365M
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Greater than or equal to \$25.65M but less than \$25.96M	\$0.330M	\$0.442M
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Greater than or equal to \$25.96M	\$0.384M	\$0.512M
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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (2) TBR Credits (Cont'd)

## (b) Annual TBR Credits (Cont'd)

- (3) At each Annual True-Up, the Annual TBR Credit shall be equal to the difference between (i) the Annual TBR Credit corresponding to the TBR for Services for the Plan Year just ends (as determined in accordance with the Annual TBR table set forth in (H)(2)(b)(2) preceding); and (ii) the total amount of all Quarterly TBR Credits provided by the Telephone Company during such Plan Year. No Annual TBR Credit will be due if the TBR for that Plan Year (i.e., the Plan Year just ends) is less than \$25.34M. (C)

- (c) The following describes the calculation of any credits or refunds that would be applicable in a given Plan Year:

- (1) If the amount of the Annual TBR Credit for which the customer is eligible in a given Plan Year exceeds the total amount of all Quarterly TBR Credits already provided to the customer during such Plan Year, then the Telephone Company shall provide a credit equal to the difference between (a) the Annual TBR Credit for which the customer was eligible in such Plan Year (as determined in accordance with the Annual TBR table in (H)(2)(b)(2) preceding); and (b) the total amount of all Quarterly TBR Credits provided in such Plan Year.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (2) TBR Credits (Cont'd)

## (c) (Cont'd)

- (2) If the total amount of all Quarterly TBR Credits already provided to the customer during a Plan Year exceeds the applicable Annual TBR Credit for which the customer is eligible (in accordance with the Annual TBR table in (H)(2)(b)(2) preceding), then the customer would be required to refund the difference between (a) the total amount of all Quarterly TBR Credits provided in such Plan Year; and (b) the Annual TBR Credit for which it was eligible in such Plan Year (as determined in accordance with the Annual TBR table in (H)(2)(b)(2) preceding).

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (2) TBR Credits (Cont'd)

## (d) Application of Credit or Debit

If the customer is eligible to receive an Annual TBR Credit, the Telephone Company shall enter a credit on its CABS billing to the customer within thirty (30) days following the completion of the Annual True-Up, as described in (M) following. If the customer is required to refund to the Telephone Company some (or all) of the TBR Credits, the Telephone Company shall enter a debit on its CABS billing to the customer as soon as reasonably possible, which generally will be approximately thirty (30) days following the completion of the Annual True-Up, as described in (M) following. Such debit/credit shall be issued on BANs of the customer that are associated with the Services in MSAs where the Telephone Company has received pricing flexibility. The customer shall pay to the Telephone Company such refund amount no later than the due date set forth on such bill.

## (3) Volume Incentive Discount (VID) Credits

- (a) Subject to the terms of (M) and (N) following, if the customer achieves a TBR greater than \$6.568M during a given Quarter during the Service Period, then the customer will be eligible for the corresponding VID Credit for such Quarter, as set forth in the table in (H)(3)(b) following. To determine the applicable VID Credit, multiply (1) the applicable VID Discount percentage from the table in (H)(3)(b) following that corresponds to the TBR achieved for such Quarter by the customer; by (2) the difference between (a) the TBR attained in such Quarter; and (b) \$6.568M. Subject to the customer meeting an annual TBR of \$25.34M or greater as set forth in (H)(3)(e) following, VID Credits are available in all four Quarters of each Plan Year.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (3) Volume Incentive Discount (VID) Credits (Cont'd)

## (b) VID Credit Table

<u>Quarterly TBR</u>	<u>VID Discount</u>	
Greater than \$6.568M but less than \$6.634M	10%	(C)
Greater than or equal to \$6.634M but less than \$6.701M	12%	
Greater than or equal to \$6.701M but less than \$6.769M	14%	
Greater than or equal to \$6.769M but less than \$6.837M	16%	
Greater than \$6.837M	18%	(C)

## (b) [Reserved for Future Use]

- (d) If the Customer is eligible to receive a VID Credit for a Quarter, the Telephone Company will provide a credit on its CABS billing to the customer within sixty (60) days following the end of the applicable Quarter.

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(H) Credits (Cont'd)

## (3) Volume Incentive Discount (VID) Credits (Cont'd)

- (e) If the TBR as calculated at an Annual True-Up in a given Plan Year is less than \$25.34M, then all VID Credits provided during such Plan Year shall be refunded by the customer as set forth below. If the TBR as calculated at an Annual True-Up in a given Plan Year is equal to or greater than \$25.34M, then any VID Credits provided during such Plan Year shall not be subject to refund by the customer. If the customer is required to refund to the Telephone Company all of the VID Credits, the Telephone Company shall enter a debit on its CABS billing to the customer as soon as reasonably possible, which generally will be approximately thirty (30) days following the completion of the Annual True-Up described in (M) following. Such debit shall be issued on BANs of the customer that are associated with the Services in MSAs where the Telephone Company has received pricing flexibility. The customer shall pay to the Telephone Company such refund amount no later than the due date set forth on such bill. (C)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(I) DS3 Credits (Cont'd)

## (2) DS3 Credits and True-Up of Mileage (Cont'd)

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## (3) Quarterly and Annual Review to Determine Eligibility for DS3 Credits

## (a) Quarterly Review to Determine Eligibility for DS3 Credits

If, in any given Quarter of the Service Period, the customer's TBR for Services is less than \$6.335M for the applicable Quarter, then the customer will not receive a DS3 Credit for any Eligible DS3 Circuits ordered during any subsequent Quarter(s) until such time that the customer's TBR for a given Quarter meets or exceeds \$6.335M. Even if the customer's TBR for a given Quarter is less than \$6.335M, the customer shall retain its DS3 Credit for any Eligible DS3 Circuits ordered in the Quarter just ends and any Eligible DS3 Circuits ordered in any prior Quarters. (C)

## (b) Annual Review to Determine Eligibility for DS3 Credits

If the customer's annual TBR (as calculated at the Annual True-Up) is equal to or greater than \$25.34M, then the customer shall receive the rates set forth in (I)(2)(b) preceding (i.e., the customer will receive a DS3 Credit) for the first 38 Eligible DS3 Circuits ordered during the Plan Year just completed. If the customer's annual TBR (as calculated at the Annual True-Up) is less than \$25.34M, then the customer may retain the DS3 Credits for any Eligible DS3 Circuits that were previously receiving such DS3 Credits, and such Eligible DS3 Circuits shall continue to receive the DS3 Credits until such time as they are disconnected. In calculating the annual TBR for such Plan Year, the Telephone Company shall only use the DS3 Credits that are actually provided during such Plan Year, and shall not include any DS3 Credits that could have been provided based on achieving an annual TBR of \$25.34M for the Plan Year just completed. If the customer's annual TBR (as calculated at the Annual True-Up) is equal to or greater than \$25.34M, but the customer's TBR for Services for Quarter 4 of such Plan Year is less than \$6.335M, then the customer will not receive DS3 Credits for all Eligible DS3 Circuits ordered during any subsequent Quarter(s) until such time that the customer's TBR for a given Quarter meets or exceeds \$6.335M. (C)

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)(J) Limitation on Grooms (Cont'd)

## (4) Reduction in Credits or Application of a Debits

During any given Plan Year, if the customer submits one (1) or more requests to the Telephone Company to perform more than the Maximum Annual Grooms, and the Telephone Company agrees to the same, the aggregate Credits provided under this Option 48 (including the RPC, TBR, and VID Credits) shall be reduced by \$50,000 for each Groom that exceeds the Maximum Annual Grooms, or in the case where the customer is not eligible for a Credit, then the Telephone Company shall issue a debit on the customer's BAN(s) equal to \$50,000 for each Groom that exceeds the Maximum Annual Grooms. The customer agrees that any reduction in the Credits, or application of a debit, as set forth herein, will be in addition to any retermination, move, or other charges assessed under other sections of this tariff.

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## (5) Exceptions to the Maximum Annual Grooms

The following types of Grooms shall not be included in the Maximum Annual Grooms and shall be performed by the Telephone Company in accordance with its normal business practices:

- (a) Telephone Company Initiated Grooms: Any Groom initiated by the Telephone Company; or
- (b) Optimization Grooms: Any Grooms where a DS3 Service rides a Telephone Company optical service provided to the customer, which optical service terminates at or, originates from, a customer Point-of-Presence (POP); or
- (c) A disconnection of a multiplexed DS3 Service that does not (at the time of the Groom) have any DS1 Service that rides a channel of such DS3 Service; or
- (d) Any other Grooms that the customer and the Telephone Company mutually agree in writing to not include in the count of Maximum Annual Grooms, including Grooms associated with the elimination or decommissioning of a customer POP.

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ACCESS SERVICE

32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

(L) Sale of a Telephone Company Operating Company (Cont'd)

(2) [Reserved for Future Use]

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

(L) Sale of a Telephone Company Operating Company (Cont'd)

(2) [Reserved for Future Use]

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

(L) Sale of a Telephone Company Operating Company (Cont'd)

(2) [Reserved for Future Use]

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

(L) Sale of a Telephone Company Operating Company (Cont'd)

(2) [Reserved for Future Use]

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

(L) Sale of a Telephone Company Operating Company (Cont'd)

(2) [Reserved for Future Use]

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32. Contract Tariffs (Cont'd)

32.25 Contract Tariff Option 48 (Cont'd)

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## ACCESS SERVICE

32. Contract Tariffs (Cont'd)32.25 Contract Tariff Option 48 (Cont'd)

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(N) Early Termination

- (1) On June 1, 2008 or on June 1, 2009, a customer subscribing to this Option 48 has the right to terminate its subscription to Option 48, or the Telephone Company has the right to terminate this Option 48 (each, a Permitted Termination Date). If the customer seeks to terminate its subscription to Option 48 and/or the Telephone Company seeks to terminate this Option 48, such party must provide at least forty-five (45) days advance notice in writing prior to the Permitted Termination Date of its intent to terminate. If either the customer or the Telephone Company does not provide such notice to the other party within the specified time period, then it shall not have a termination right until the next Permitted Termination Date (subject to the forty-five (45) day notice requirement set forth in this section).

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