ACCESS SERVICE

22. Metropolitan Statistical Area Access Services

22.1 General Description

(A) This section of the tariff provides the regulations, rates and terms and conditions that apply to telecommunications services provided by the Telephone Company in the Metropolitan Statistical Areas (MSAs) in which the Telephone Company has received Phase II pricing flexibility pursuant to Subpart H of Part 69 of the Commission's Rules. MSAs are divided into the categories below:

(1) Full Service MSAs

Full Service Relief MSAs are those MSAs which qualified for Phase II pricing flexibility for all elements of service, i.e., local channels (channel terminations) between LEC end offices and customer (end user) premises; entrance facilities; dedicated interoffice facilities; local channels (channel terminations) between an interexchange carrier's point of presence and a serving wire center. The Full Service Relief MSAs are set forth in Section 22.2(A), following.

(2) Limited Service MSAs

Limited Service Relief MSAs are those MSAs that qualified for Phase II pricing flexibility for all elements of service except local channels (channel terminations) between a LEC end office and a customer (end user) premise. The Limited Service Relief MSAs are set forth in Section 22.2(B), following.

(B) The services provided in MSAs pursuant to this section of the tariff are set forth in Section 22.3, following. These services are comparable to the SWA Dedicated Transport Services in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), and the Special Access Services in Sections 7, 20 and 22. [1] The (D)
general regulations, service descriptions, and rate regulations for the SWA Dedicated Transport Services in Section 6 and the Special Access Services in Sections 7 and 20 [1] are also applicable to the services specified in (D)
this section, except as provided below.

An exception in 22.4(F) applies for term pricing plans.

(B) Unless otherwise provided for in this section, regulations set forth in Sections 1, 2, 5, and 13 are also applicable.

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.2 Metropolitan Statistical Areas

A. Full Service Relief MSAs are listed below:

State	MSA
Nevada	

B. Limited Service Relief MSAs are listed below:

State	MSA
Nevada	Reno

22.3 Services Available in an MSA

The following services are available in MSAs with Full and Limited Service Relief:

Special Access
Voice Grade Service
Program Audio Service
Video Service
Digital Data Service
High Capacity Service
[1]
[1]
[1]
[1]
[1]
[1]
Switched Access/Dedicated Transport
Voice Grade
DS1
DS3
SS7

(D)

(D)

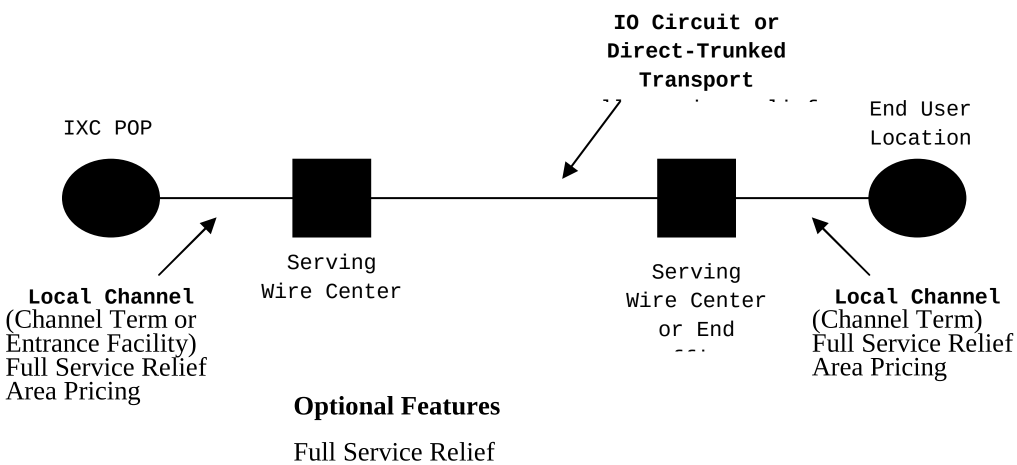
[1] Material in this Section has been de-tariffed as required by the Commission upon use of the forbearance relief pursuant to FCC Memorandum Opinion and Order No. 07-180, released October 12, 2007. Terms and Conditions associated with de-tariffed services are available at www.att.com/guidebook.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations

(A) Figure 1 illustrates services provided within an MSA located in a Full Service Relief Area. The rates and charges for all associated rate elements for services in a Full Service Relief Area are contained in Section 22.5, following. (N)

Full Service Relief Area



(N)

Figure 1

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont'd)

(B) Figure 2 illustrates services provided within an MSA located in a Limited Service Relief Area. The rates and charges for all associated rate elements for services in a Limited Service Relief Area are contained in Section 22.5, except for the local channels (channel terminations) between a LEC end office and a customer (end user) premise, which are referenced in Section 7 and Section 20 [1] of this Tariff. (D)

Limited Service Relief Area

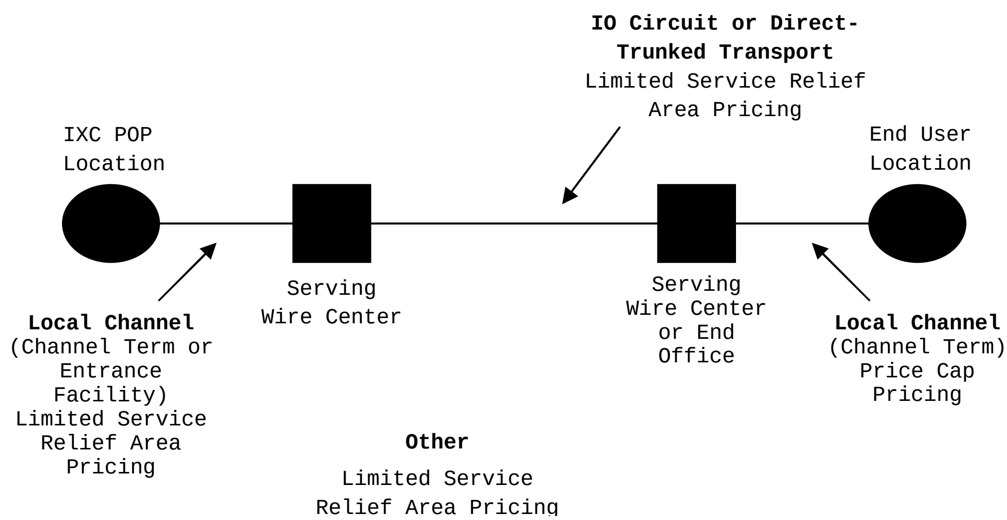


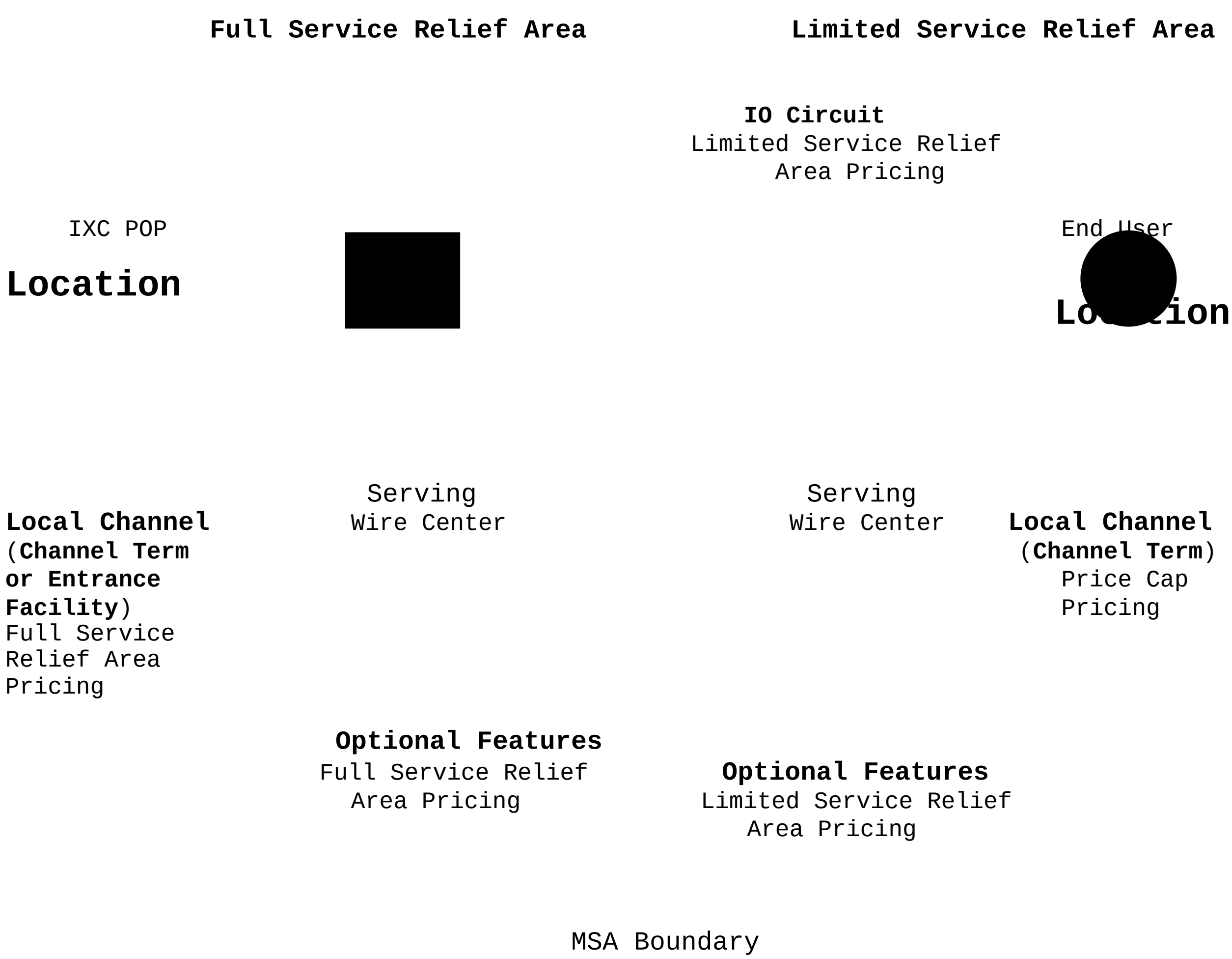
Figure 2

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont'd) (N)

(C) Figure 3 illustrates a service provided from two MSAs with one MSA located in a Full Service Relief Area and one MSA located in a Limited Service Relief Area. The rates and charges for local channels and optional features located in the Full Service Relief Area are obtained as previously stated in 22.4(A). The rates and charges for local channels and optional features located in the Limited Service Relief Area are obtained as stated in 22.4(B). Interoffice channels between a Full Service Relief Area and a Limited Service Relief Area are rated the same as that of an interoffice channel in a Limited Service Relief Area and rates and charges are obtained as stated in 22.4(B) preceding.



(N)

Figure 3

(This page filed under Transmittal No. 43)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont’d)

(D) Figure 4 illustrates a service provided from two MSAs with one MSA located in a Full Service Relief Area and one MSA located in a Non-Relief Area. The rates and charges for local channels and optional features located in the Full Service Relief Area are obtained as stated in 22.4(A) preceding.

Interoffice channels between a Full Service Relief Area and a Non-Relief Area are rated the same as that of an interoffice channel in a Non-Relief Area.

Rates and charges for local channels, interoffice channels and optional features in a Non-Relief Area are obtained in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), Section 7 and Section 20 [1] of this Tariff. (D)

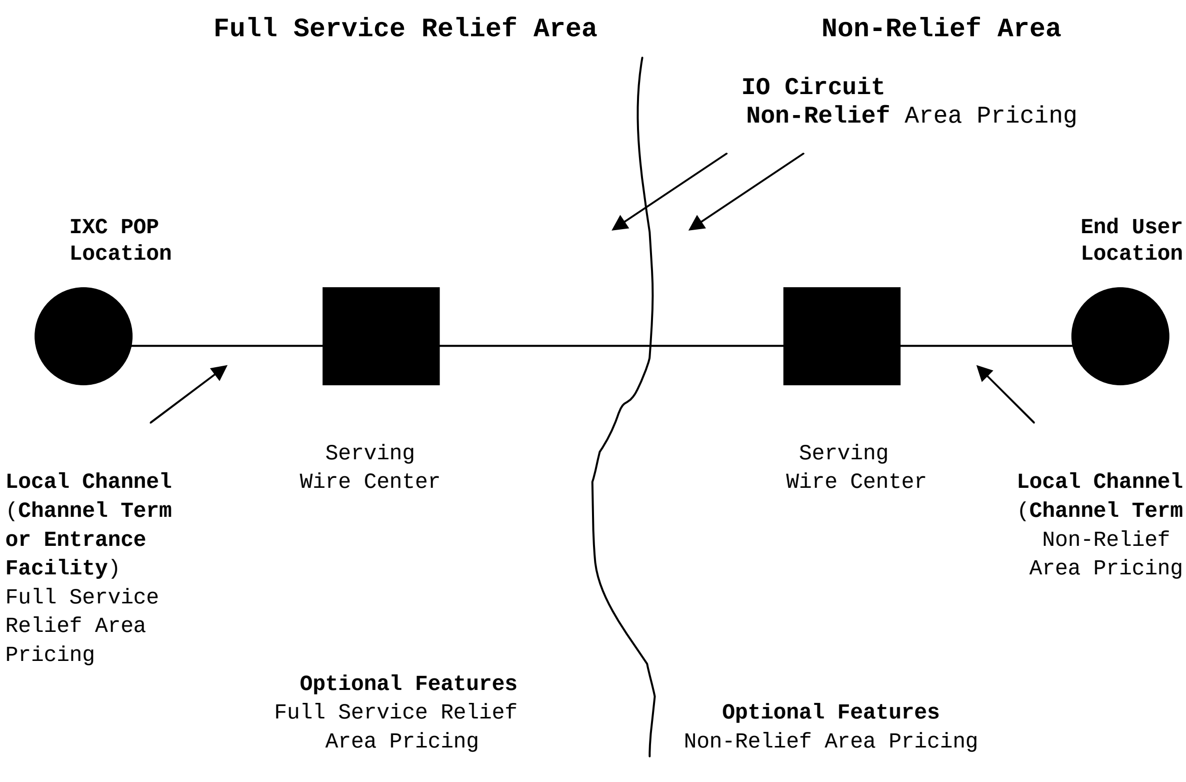


Figure 4

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont'd)

(E) Figure 5 illustrates service provided from two MSAs with one MSA located in a Limited Service Relief Area and one MSA located in a Non-Relief Area. The rates and charges for local channels and optional features located in the Limited Service Relief Area are obtained as stated in 22.4(B) preceding.

Interoffice channels between a Limited Service Relief Area and a Non-Relief Area are rated the same as that of an interoffice channel in a Non-Relief Area.

Rates and charges for local channels, interoffice channels and optional features in a Non-Relief Area are obtained in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), Section 7 and Section 20 [1] of this Tariff. (D)

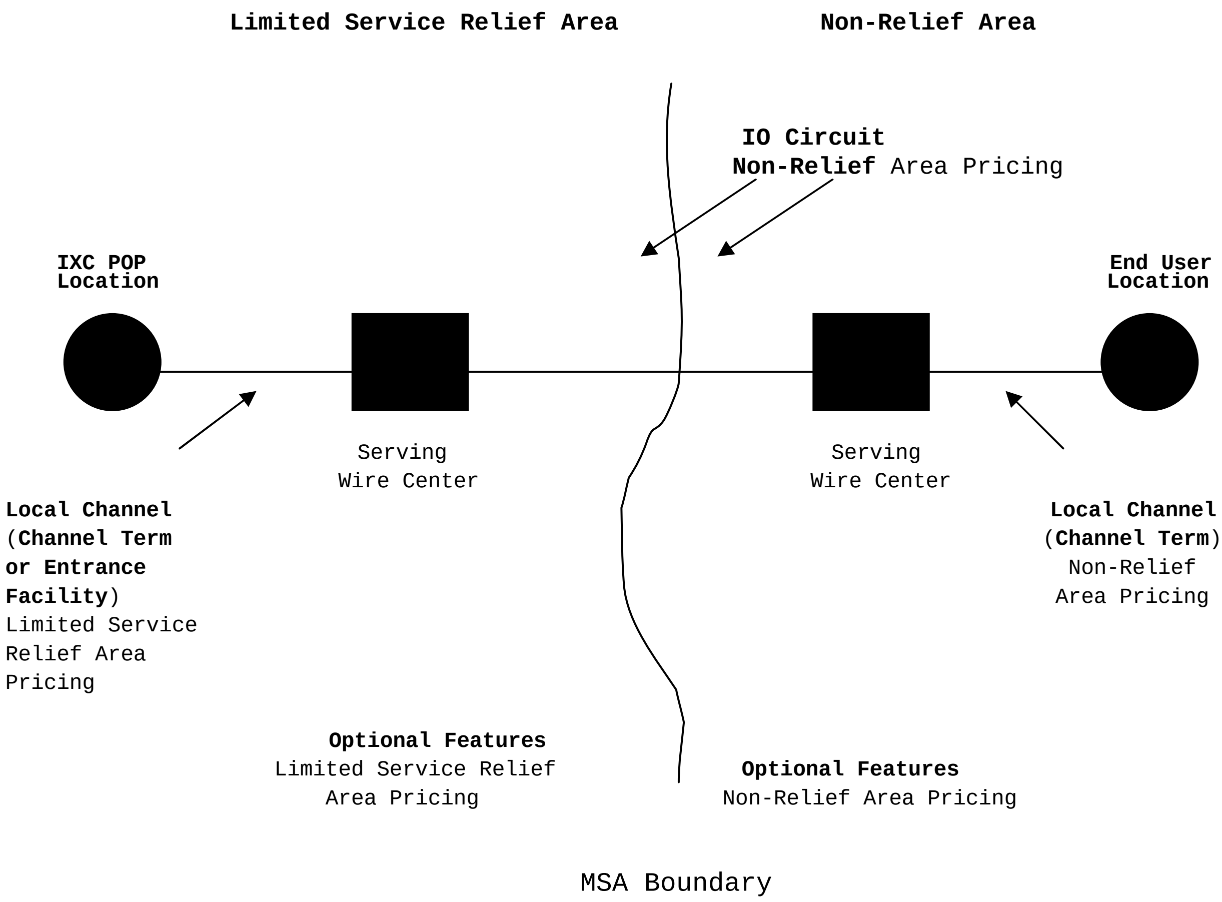


Figure 5

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont'd)

(F) Pricing Plans

For the purpose of Metropolitan Statistical Area Access Services, the following plans apply when referring to Pricing Plans:
- Term Pricing Plans (TPP)

The Telephone Company ensures that rates provided under a term pricing plan will not be increased by the Telephone Company (C) above the rates in effect at the beginning of the customer's term pricing plan period.

Customers under their current term pricing plan will continue to pay the rates in effect at the beginning of their plan period until the effective tariff rates in Section 22.5, following become lower than the rates received under their term pricing plan. (C)

(D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges

22.5.1 Switched Access Service/Dedicated Transport

(A) Entrance Facilities

	USOC	Monthly Rates	Nonrecurring Charge
(1) Voice Grade per point of termination	TSW2X	$ 25.41(I)	$ 500.00
	TSW4X	25.41(I)	500.00
(2) DS1 per point of termination	TMESW	150.71(I)	585.66
(3) DS3 per point of termination	Z0MSW	2,571.25(I)	1,950.70

(B) Direct Trunked Transport

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile
(1) Voice Grade per transport channel	1L5SW	$ 10.77(I)	$ .61(I)
(2) DS1 per point of termination	1L5SW	63.53(I)	10.89(I)
(3) DS3 per point of termination	1L5SW	420.48(I)	47.19(I)

(C) Chargeable Optional Features

Multiplexing - per arrangement	USOC	Monthly Rates	Nonrecurring Charge
(1) DS3 to DS1 - per arrangement	MQ3SW	$574.75(I)	None
(2) DS1 to Voice/Digital - per arrangement	MQ1SW	332.75(I)	None

(D) SS7 Interconnection

(1) SS7 Links

	USOC	Monthly Rates	Nonrecurring Charge
- per Link	SL7	$ 11.29	$1,131.17
- per Mile		.70	

(This page filed under Transmittal No. 224)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service

22.5.2.1 Voice Grade Service

	USOC	Monthly Rates	Nonrecurring Charge
(A) Channel Termination			
- Per Termination			
- Two-Wire	T6E2X	$24.15(I)	$200.00
- Four-Wire	T6E4X	$24.15(I)	$200.00

(B) Channel Mileage	USOC	Monthly Rate
(1) Channel Mileage Facility - Per Mile	1L5XX/CMF	$0.58(I)
(2) Channel Mileage Termination - Per Termination	1L5XX/CMT	$10.24(I)

(C) Optional Features and Functions

(1) Bridging

(a) Voice Bridging	USOC	Monthly Rate
Two-Wire/ Four Wire - Per port		
- Two-Wire	BCNV2	$3.13(I)
- Four-Wire	BCNV4	$3.93(I)
(b) Data Bridging		
Two-Wire/ Four-Wire - Per Port		
- Two-Wire	BCND2	$3.13(I)
- Four-Wire	BCND4	$3.93(I)

(This page filed under Transmittal No. 220)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.1 Voice Grade Service (Cont'd)

(C) Optional Features and Functions (Cont'd)

	USOC	Monthly Rates	Nonrecurring Charge
(2) Conditioning			
- Per Termination			
- C-Type	X1CPT	$ 4.36(I)	None
- Improved Attenuation Distortion*	UHW	6.18(I)	$180.80
- Improved Envelope Delay Distortion*	UHY	30.85(I)	287.06
- Sealing Current	1HBPT	8.02(I)	None
(3) Improved Return Loss for Effective Two-Wire or Four-Wire Transmission			
- Per termination			
- Two-Wire	1RL2W	$ 9.48(I)	None
- Four-Wire	1RL4W	9.43(I)	None
(4) Customer Specified Received Level -Per two-wire termination	RLS	5.30(I)	None
(5) Data Capability - Per termination	XDCPT	6.52(I)	$ 91.27
(6) Telephoto Capability - Per termination	XTCPT	8.51(I)	$377.67

* Improved Attenuation Distortion and Improved Envelope Delay Distortion will continue to be provided to all customers who were provided with either or both of these optional features in conjunction with C-Type Conditioning prior to September 29, 1988.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.2 Program Audio Service

	USOC	Monthly Charge Rate	Daily* Rate	Nonrecurring Monthly	Nonrecurring Daily
(A) Channel Termination					
- Per Termination					
- 200 to 3500 Hz	T6ECS	$26.86(I)	$3.28	$289.75	$289.75
- 100 to 5000 Hz	T6ECS	30.96(I)	3.51	289.75	289.75
- 50 to 8000 Hz	T6ECS	32.67(I)	3.80	289.75	289.75
- 50 to 15000 Hz	T6ECS	122.54(I)	11.24	289.75	289.75
(B) Channel Mileage					
(1) Channel Mileage Facility					
- Per Mile					
- 200 to 3500 Hz	1L5XX/CMF	$1.21(I)	$0.05		
- 100 to 5000 Hz	1L5XX/CMF	$1.71(I)	$0.10		
- 50 to 8000 Hz	1L5XX/CMF	$2.28(I)	$0.15		
- 50 to 15000 Hz	1L5XX/CMF	$3.84(I)	$0.28		
(2) Channel Mileage Termination					
- Per Termination					
- 200 to 3500 Hz	1L5XX/CMT	$ 10.73(I)	$1.05		
- 100 to 5000 Hz	1L5XX/CMT	$17.83(I)	$1.49		
- 50 to 8000 Hz	1L5XX/CMT	$21.82(I)	$1.98		
- 50 to 15000 Hz	1L5XX/CMT	$36.52(I)	$3.34		
(C) Optional Features and Functions					
(1) Gain Conditioning	XGC	$1.67	$.18	$73.25	$73.25

* Daily rates will be topped and maximum rates derived as set forth in 7.2.2.(B) preceding.

22. Metropolitan Statistical Area Access Services (Cont'd)

(N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.3 Video Service

	USOC	Monthly Charge Rate	Daily* Rate	Nonrecurring Monthly	Nonrecurring Daily
(A) Channel Termination					
- Per Termination					
- TV-1 or 2	TMEV1	$544.46	$299.45	$60.42	$60.42
- 4TV-5	TMEV4	$587.92	$323.35	$60.42	$60.42
- 6TV-5	TMEV6	$587.92	$323.35	$60.42	$60.42
- TV-15	TMEV5	$587.92	$323.35	$60.42	$60.42
(B) Channel Mileage					
(1) Channel Mileage Facility					
- Per Mile					
- TV 1 or 2	1L5XX/CMF	$56.25	$30.82		
- 4TV-5	1L5XX/CMF	$56.25	$30.82		
- 6TV-5	1L5XX/CMF	$56.25	$30.82		
- TV-15	1L5XX/CMF	$56.25	$30.82		
(2) Channel Mileage Termination					
- Per Termination					
- TV-1 or 2	1L5XX/CMT	None	None		
- 4TV-5	1L5XX/CMT	None	None		
- 6TV-5	1L5XX/CMT	None	None		
- TV-15	1L5XX/CMT	None	None		

* Daily rates will be topped and maximum rates derived as set forth in 7.2.2.(B) preceding. (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd) (N)

22.5.2 Special Access Service (Cont'd)

22.5.2.4 Digital Data Service

	USOC	Monthly Rates	Nonrecurring Charge
(A) Channel Termination			
- Per Termination			
- 2.4 kbps	T6ECS	$ 82.00	$250.00
- 4.8 kbps	T6ECS	82.00	250.00
- 9.6 kbps	T6ECS	82.00	250.00
-56.0 kbps	T6ECS	82.00	250.00
-64.0 kbps	T6ECS	82.00	250.00
(B) Channel Mileage			
(1) Channel Mileage Facility			
- Per Mile			
- 2.4 kbps	1L5XX/CMF	$0.95	
- 4.8 kbps	1L5XX/CMF	0.95	
- 9.6 kbps	1L5XX/CMF	0.95	
- 56 kbps	1L5XX/CMF	0.95	
- 64 kbps	1L5XX/CMF	0.95	
(2) Channel Mileage Termination			
- Per Termination			
- 2.4 kbps	1L5XX/CMT	$13.50	
- 4.8 kbps	1L5XX/CMT	13.50	
- 9.6 kbps	1L5XX/CMT	13.50	
- 56 kbps	1L5XX/CMT	13.50	
- 64 kbps	1L5XX/CMT	13.50	
(C) Optional Features and Functions			
(1) Bridging			
- Per port	BCNDA	$16.51	

(N)

(D)

(D)

(This page filed under Transmittal No. 240)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.5 High Capacity Service (Cont'd)

	USOC	Monthly Rates	Nonrecurring Charge
(C) Optional Features and Functions			
(1) Multiplexing, per arrangement			
DS4 to DS1	MXA++	ICB	
DS3 to DS1			
Month-to-Month***	MQ3	$475.00	
Monthly Extension	MQ3	$475.00	
1 Year	MQ3	$420.00	
3 Year	MQ3	$410.00	
5 Year	MQ3	$400.00	
DS2 to DS1	MXD++	ICB	
DS1C to DS1	MXH++	ICB	
DS1 to Voice/Digital[(1)]	MQ1/MQ1++	$275.00	
DS1 to DS0	QMU/QMUA1	$275.00	
DS0 to Subrates			
-Up to 20 2.4 kbps services	QSU24	$175.00	
-Up to 10 4.8 kbps services	QSU48	$175.84	
-Up to 5 9.6 kbps services	QSU96	$124.84	
(2) Multiplexer Cross-Connect - per cross-connect, per central office	1L5TC	$10.00	$80.00
(3) Transfer Arrangement (dial-up*) - per four port arrangement including control channel termination**	USV	ICB	
(D) DS1/DS3 Rollover			
-per DS1 Channel Termination	NRBR1/NRBRH		$300.00
-per DS3 Channel Termination	NRBR3		825.00

[(1)] A channel of this DS1 to a multiplexing Hub can be used for Digital Data Service. (D)

* The Dial-Up option requires the customer to purchase the Controller Arrangement from 13.3.7 following.

** An additional Channel Termination charge will apply whenever a spare channel is configured as a leg to the customer premises. Additional channel mileage charges will also apply when the transfer arrangement is not located in the customer premises serving wire center

***This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits.

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.5 High Capacity Service (Cont'd) (N)

(E) Collocation Transport (M)

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges 1st Ckt.	Nonrecurring Charges Addl Ckt.
1.544 Mbps	(1H48S)	$54.70	$9.00	$300.00	$300.00

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges 1st Ckt.	Nonrecurring Charges Addl Ckt.
44.736 Mbps	(1H48S)				
Month-to-Month*		$375.00	$45.00	$1,500.00	$1,500.00
Monthly Extension		$375.00	$45.00		
1 Year		$342.50	$38.00	$1,000.00	$1,000.00
3 Year		$337.50	$36.50	$0.00	$0.00
5 Year		$332.50	$35.00	$0.00	$0.00

(M) (C) (N) (N)

*This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits. (N)
(N)

Certain material appearing on this page previously appeared on 1st Revised Page 22-17.

(D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.6.1 High Capacity Service

(D)

	USOC	Monthly Rates	Nonrecurring Charge	
(A) Channel Termination (Per Point of Termination)				
- 1.544 Mbps	TMECS	$ 150.00	$ 300.00	(D)
- 3.152 Mbps	TWT++	ICB[1]	ICB[1]	(T)
- 6.312 Mbps	TWT++	ICB[1]	ICB[1]	(T)
-44.736 Mbps(Month-to-Month)[2]	Z3MAC/Z3MAP	$2,274.00	$1,500.00	(D)
-44.736 Mbps(Monthly Extension)	Z3MAC/Z3MAP	$2,274.00	$1,500.00	
-44.736 Mbps(1 Year Plan)	Z3MAC/Z3MAP/Z31A+	$1,500.00	$1,000.00	
-44.736 Mbps(3 Year Plan)	Z3MAC/Z3MAP/Z31A+	$ 985.00	$ 250.00	
-44.736 Mbps(5 Year Plan)	Z3MAC/Z3MAP/Z31A+	$ 900.00	$ 0.00	(D)
-274.176 Mbps	TWT++	ICB[1]	ICB[1]	(T)
(B) Channel Mileage[3]				(T)
(1) Channel Mileage Facility (Per Mile)				
- 1.544 Mbps	1L5XX/CMF	$12.75		(D)
- 3.152 Mbps	CMF	ICB[1]		(T)
- 6.312 Mbps	CMF	ICB[1]		(T)
-44.736 Mbps(Month-to-Month)[2]	1L5XX/CMF	$45.00		(D)
-44.736 Mbps(Monthly Extension)	1L5XX/CMF	$45.00		(D)
-44.736 Mbps(1 Year Plan)	1L5XX/CMF	$38.00		
-44.736 Mbps(3 Year Plan)	1L5XX/CMF	$36.50		
-44.736 Mbps(5 Year Plan)	1L5XX/CMF	$35.00		(D)
-274.176 Mbps	CMF	ICB[1]		(T)
(2) Channel Mileage Termination (Per Termination)				
-1.544 Mbps	1L5XX/CMF	$62.50		(D)
-3.152 Mbps	CMT	ICB[1]		(T)
-6.312 Mbps	CMT	ICB[1]		(T)
-44.736 Mbps(Month-to-Month)[2]	1L5XX/CMF	$375.00		(D)
-44.736 Mbps(Monthly Extension)	1L5XX/CMF	$375.00		(D)
-44.736 Mbps(1 Year Plan)	1L5XX/CMF	$342.50		
-44.736 Mbps(3 Year Plan)	1L5XX/CMF	$337.50		
-44.736 Mbps(5 Year Plan)	1L5XX/CMF	$332.50		
-274.176 Mbps	CMT	ICB[1]		(T)

(D)

(D)

[1] ICB rates and charges are filed in 7.12 following. (T)
[2] This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits. (T)
[3] When the customer orders High Capacity Service as described in 7.11 and 7.11.5.2, preceding, the Channel Mileage Facility must be ordered in conjunction with an associated Channel Termination as described in 7.2.1(A), preceding. (T)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.6.1 High Capacity Service (Cont'd)

(C) DS1 Term Payment Plan

(D)

	USOC	1 Year	2 Year	3 Year	5 Year	7 Year	
(1) Channel Termination							
- Per Point of Termination	TMECS	$140.00	$132.50	$115.00	$105.00	$100.00	(D)
(2) Channel Mileage							
- Channel Mileage Termination (per termination)	1L5XX	$55.00	$45.00	$40.00	$35.00	$32.50	(D)
- Channel Mileage Facility (per mile)	1L5XX	$12.25	$12.00	$9.25	$8.50	$8.25	(D)
(3) Central Office Multiplexing DS1 to DS0 voice/digital -Per arrangement	MQ1, MQ1++, QMUA1, QMU,QMU++	$260.00	$190.00	$170.00	$160.00	$150.00	
(4) Collocation Transport -Channel Mileage - Fixed	1H48S	$50.00	$45.00	$40.00	$35.00	$32.50	
– Per Mile	1H48S	$9.00	$9.00	$8.75	$8.50	$8.25	

(5) Nonrecurring Charges[1]	USOC	Rate	
-One Time Charges			(T)
-Per point of channel termination			
-Channel Termination	TMECS	$900.00	
-Collocation Transport	1H48S	$900.00	

(D)

(D)

[1] Channel Termination Nonrecurring Charges and Collocation Transport Nonrecurring Charges are waived on new installations of DS1 High Capacity Service with a 2, 3, 5, or 7 year DS1 TPP. (T)

ACCESS SERVICE

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.7[1] (D)

[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.

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.7[1] (D)

[1] See footnote (1) on page 22-19.

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont’d)

22.5.2.7[1] (D)

[1] See footnote (1) on page 22-19.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service

(A) Nonrecurring Charges	USOC	Nonrecurring Charge
(1) Administrative Charge - per customer order	ORCMX	$125.00
(2) Design and Central Office Connection Charge - per network and per riding circuit	NRMCK	600.00
(3) Customer Connection Charge (Service Establishment) - per node	NRBBL	7,500.00
(4) Customer Connection Charge (Subsequent Installation) - per subsequent shelf	NHCNL	1,000.00

(B) Recurring Charges

		Monthly Rates			
	USOC	3 Year	5 Year	Monthly Extension	
(1) Customer Premises Node (includes first shelf)	F2ND1	$7,800.00	$6,240.00	$10,920.00	
(2) Customer Premises Node - per subsequent shelf	F2NDS	5,850.00	4,680.00	8,190.00	
(3) Central Office Node (includes first shelf)	F2NC1	7,800.00	6,240.00	10,920.00	
(4) Central Office Node - per subsequent shelf	F2NCS	5,850.00	4,680.00	8,190.00	
(5) Channel Mileage - per V-H mile or fraction thereof (2 mile min.)	1YAZX	325.00	260.00	455.00	
(6) Optical Amplifier - C band (per location)	67QXX	5,400.00	3,600.00	7,600.00	
- L[1] band (per location)	67QSX	5,400.00	3,600.00	7,600.00	(C)
(7) Regenerator –(as required) -up to 2.5 Gbps (per shelf)	V8RXX	7,500.00	5,000.00	10,500.00	
-up to 10 Gbps (per circuit)	V8R2C	15,000.00	10,000.00	21,000.00	

[1] Available where facilities and equipment permit. This regulation only applies to customers purchasing this service after 09/08/07. (N)
(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(B) Recurring Charges (Cont'd)

	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension	
(8) Bulk Power -per first shelf, for shelves 1 thru 4	CBVDX	2,000.00	1,600.00	2,600.00	
(9) Bulk Power -per fifth subsequent shelf for shelves 5 thru 8	CBVDS	1,600.00	1,300.00	2,100.00	

(C) Ports

-per port/per circuit terminating location

	USOC	3 Year	5 Year	Monthly Extension	
(1) ETR/CLO™/1/					(N)
- unprotected channel	POYKW	$975.00	$750.00	$1,400.00	
(2) FICON™/1/ (1.0625 Gbps)					
- unprotected channel	POYMW	975.00	750.00	1,400.00	
- protected channel	POYMP	1,950.00	1,500.00	2,800.00	
(3) FICON™/1/ (2.125 Gbps)					
- unprotected channel	POYWW	1,700.00	1,300.00	2,400.00	
- protected channel	POYWP	3,400.00	2,600.00	4,800.00	
(4) ISC-1™/1/					(N)
- unprotected channel	POYJW	1,800.00(R)	1,250.00	2,500.00(R)	
- protected channel	POYJP	3,600.00	2,500.00	5,000.00	(N)
(5) ISC-3™/1/					
- unprotected channel	POY9W	3,750.00	2,500.00	5,000.00	
- protected channel	POY9P	7,500.00	5,000.00	10,000.00	(N)
(6) Fibre Channel (1.0625 Gbps)					(T)
- unprotected channel	POYNW	1,200.00	900.00	1,700.00	
- protected channel	POYNP	2,400.00	1,800.00	3,400.00	

/1/ ESCON™, ETR/CLO™, FICON™, ISC-1™, ISC-3™ and GDPS™ are registered trademarks of the International Business Machines (IBM) Corporation, Armonk, NY 10504. (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(C) Ports (Cont'd)	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension	
-per port/per circuit terminating location					
(7) Fibre Channel (2.125 Gbps)					(T)
- unprotected channel	POYYW	$1,700.00	$1,300.00	$2,400.00	
- protected channel	POYYP	3,400.00	2,600.00	4,800.00	
(8) Gigabit Ethernet					(T)
- unprotected channel	POYLW	1,200.00	900.00	1,700.00	
- protected channel	POYLP	2,400.00	1,800.00	3,400.00	
(9) 10 Gigabit Ethernet (WAN-PHY)					(T)
- unprotected channel	POYTW	15,000.00	12,500.00	21,000.00	
- protected channel	POYTP	20,000.00	16,700.00	28,000.00	
(10)10 Gigabit Ethernet (LAN-PHY)					(M)
- unprotected channel	POYUW	15,375.00	12,815.00	21,252.00	|
- protected channel	POYUP	20,500.00	17,120.00	28,700.00	(M)
(11) SONET OC-12/OC-12c					(T)
- unprotected channel	POYFW	1,300.00	1,000.00	1,900.00	
- protect channel	POYFP	2,600.00	2,000.00	3,700.00	
(12) SONET OC-48/48c					(T)
- unprotected channel	POYGW	4,400.00	3,700.00	6,000.00	
- protected channel	POYGP	6,600.00	5,560.00	9,000.00	
(13) SONET OC-192/192c					(T)
- unprotected channel	POYOW	15,000.00	12,500.00	21,000.00	
- protected channel	POYOP	20,000.00	16,700.00	28,000.00	

Material now appearing on this page previously appeared on Original Page 22-23.1.

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(C) Ports (Cont'd)

-per port/per circuit terminating location

	USOC	Monthly Rates 3 Year	5 Year	Monthly Extension	
(14) Sub-Rate System/4/					(C)
- unprotected channel	POYSW	$1,300.00	$1,000.00	$1,900.00	
- protected channel	POYSP	2,600.00	2,000.00	3,700.00	
(15) ESCON™ Riding Circuit/1/2/4/					(C)
- unprotected channel	POYHW	100.00	100.00	150.00	
- protected channel	POYHP	100.00	100.00	150.00	
(16) Fast Ethernet Riding Circuit/2/4/					(T) (C)
- unprotected channel	POYCW	325.00	250.00	500.00	
- protected channel	POYCP	500.00	400.00	800.00	
(17) D1 Video Riding Circuit/2/4/					(C)
- unprotected channel	POYVW	100.00	100.00	150.00	
- protected channel	POYVP	100.00	100.00	150.00	
(18) DVB-ASI Riding Circuit/4/					(N)
- unprotected channel	PWY5W	100.00	100.00	150.00	(N)
- protected channel	PWY5P	100.00	100.00	150.00	(N)
(19) SONET OC-3/OC-3c Riding Circuit/3/4/					(T) (C)
- unprotected channel	POYEW	100.00	100.00	150.00	
- protected channel	POYEP	100.00	100.00	150.00	
(20) GigE/FC/FICON™/1/ Sub-Rate System					(T) (M)
- unprotected channel	POY1W	875.00	700.00	1,140.00	(M)
- protected channel	POY1P	1,750.00	1,400.00	2,280.00	(M)
(21) GigE Riding Circuit/5/					(T)
- unprotected channel	POY4W	500.00	400.00	650.00	(M)
- protected channel	POY4P	1,000.00	800.00	1,300.00	(M)
(22) Fibre Channel Riding Circuit/5/					(T) (T)
- unprotected channel	POY6W	500.00	400.00	650.00	(M)
- protected channel	POY6P	1,000.00	800.00	1,300.00	(M)

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/2/ Available only when ordered with Sub-Rate System or ESCON™ Sub-Rate System. (T)
/3/ Available only when ordered with Sub-Rate System or OC-3/OC-12 Sub-Rate System. (T)
/4/ Available where facilities and equipment permit. This regulation only applies to customers purchasing this service after 09/08/07. (N) (N)
/5/ Available only when ordered with GigE/FC/FICON™/1/ Sub-Rate System. (N)
Certain material now appearing on this page previously appeared on Original Page 22-23.1.

(This page filed under Transmittal No. 165)

ACCESS SERVICE

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(C) Ports (Cont'd)

-per port/per circuit terminating location

	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension	
(23) FICON™/1/2/ Riding Circuit					(T)
- unprotected channel	POY7W	400.00	320.00	480.00	
- protected channel	POY7P	800.00	640.00	960.00	
(24) ESCON™/1/4/ Sub-Rate System					(C)
- unprotected channel	POY2W	1,500.00	1,125.00	1,950.00	
- protected channel	POY2P	3,000.00	2,250.00	3,900.00	
(25) OC-3/OC-3c and OC-12/OC-12c/4/ Sub-Rate System					(C)
- unprotected channel	POY3W	1,000.00	750.00	1,300.00	
- protected channel	POY3P	2,000.00	1,500.00	2,600.00	
(26) OC-12/OC-12c/3/4/ Riding Circuit					(C)
- unprotected channel	POY5W	500.00	375.00	700.00	
- protected channel	POY5P	1,000.00	750.00	1,400.00	
(27) DVB-ASI					(N)
- unprotected channel	POY8W	2,100.00	1,650.00	3,075.00	
- protected channel	POY8P	4,200.00	3,300.00	5,775.00	
(28) ESCON™/4/					
- unprotected channel	PWY1W	1,300.00	1,000.00	1,900.00	
- protected channel	PWY1P	2,600.00	2,000.00	3,700.00	
(29) Fast Ethernet/4/					
- unprotected channel	PWY2W	1,300.00	1,000.00	1,900.00	
- protected channel	PWY2P	2,600.00	2,000.00	3,700.00	
(30) D1 Video					
- unprotected channel	PWY3W	1,300.00	1,000.00	1,900.00	
- protected channel	PWY3P	2,600.00	2,000.00	3,700.00	
(31) SONET OC-3/OC-3c/4/					
- unprotected channel	PWY4W	1,300.00	1,000.00	1,900.00	
- protected channel	PWY4P	2,600.00	2,000.00	3,700.00	
(32) OC-48/OC-48c SONET Sub-Rate System 4:1/4/					
- unprotected channel	POYRW	3,500.00	2,750.00	4,250.00	
- protected channel	POYRP	7,000.00	5,500.00	8,500.00	
(33) SONET OC-48/OC-48c/4/5/Riding Circuit					
- unprotected channel	POYZW	1,900.00	1,200.00	2,800.00	
- protected channel	POYZP	3,800.00	2,400.00	5,600.00	(N)

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/2/ Available only when ordered with GigE/FC/FICON™/1/ Sub-Rate System. (T)
/3/ Available only when ordered with Sub-Rate System or OC-3/OC-12 Sub-Rate System. (T)
/4/ Available only where facilities and equipment permit. This regulation only applies to customers purchasing this service after 09/08/07. (N)
/5/ Available only when ordered with an OC-48 Sub-Rate System. (N)
Material previously appearing on this page now appears on 2nd Revised Page 22-22 and 2nd Revised Page 22-23.

(This page filed under Transmittal No. 165)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 (D)

(D)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(A) OC-3/OC-3c (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Features and Functions (Cont'd)				
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00	
(g) Diversity[1]				(D)
				(D)
-Per Quarter Route Mile	S2DXY	$50.00	$0	
-Per OC-3/OC-3c	CPAPA	$200.00	$0	

(5) Moves (OC-3/OC-3c)

(a) Service Rearrangement

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges.

(D)
(D)

[1] The Per Quarter Route Mile is required for one or both ends of the second service when both services terminate at the same customer premises. (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(B) OC-12/OC-12c (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Features and Functions (Cont'd)				
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00	
(g) Diversity[1]				(D)
				(D)
-Per Quarter Route Mile	S2DXY	$100.00	$0	
-Per OC-12/OC-12c	CPAPB	$300.00	$0	

(5) Moves (OC-12/OC-12c)

(a) Service Rearrangements

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges.

(D)
(D)
[1] The Per Quarter Route Mile is required for one or both ends of the second service when both services terminate at the same customer premises. (N)
(N)

(This page filed under Transmittal No. 165)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(C) OC-48/OC-48c (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Features and Functions (Cont'd)				
(f) Point-to-Point OC-48 Regenerator -each	RGY48	$5,500.00	$0	
(g) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00	
(h) Diversity[1]				(D)
				(D)
-Per Quarter Route Mile	S2DXY	$125.00	$0	
-Per OC-48/OC-48c	CPAPC	$700.00	$0	

(5) Moves (OC-48/OC-48c)

(a) Service Rearrangement

See Section 7.2.2, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 7.2.3, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.3, preceding for rates and charges.

(D)
(D)

[1] The Per Quarter Route Mile is required for one or both ends of the second service when both services terminate at the same customer premises. (N)
(N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(D) OC-192/OC-192c (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Feature and Functions (Cont'd)				
(b) Add/Drop Function (Cont'd)				
-Per OC-12	MXJEX	$625.00	$0	
-Per OC-3	MXJCX	$250.00	$0	
(c) 1+1 Protection -Per OC-192/OC-192c Local Distribution Channel	P8T	$2,700.00	$0	
(d) 1+1 Protection with Cable Survivability -Per OC-192/OC-192c Local Distribution Channel	P3S	$2,700.00	$800.00	
(e) 1+1 Protection with Route Survivability -Per OC-192/OC-192c Local Distribution Channel	P8T plus	(Apply P8T rate above, Per Quarter Route Mile below) (P8T + S2DXY)		
-Per Quarter Route Mile	S2DXY	$150.00	$0	
(f) Point-to-Point OC-192 Regenerator				
-each	RGY	$11,000.00	$0	
(g) Diversity[1]				(D)
				(D)
-Per Quarter Route Mile	S2DXY	$150.00	$0	
-Per OC-192/OC-192c	CPAPD	$1200.00	$0	

(D)

[1] The Per Quarter Route Mile is required for one or both ends of the second service when both services terminate at the same customer premises. (N)
(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10[1] (D)

[1] See footnote (1) on page 22-33.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd) (N)

22.5.2 Special Access Service (Cont'd)

22.5.2.11 Fractional DS1 Service - 128, 256, 384, 512, and 768 Kbps

(A) Channel Termination

- Per Point of Termination TMECS

	Recurring Charges	Nonrecurring Charges 1st CKT	Addl CKT
MTM	$150.00	$900.00	$900.00
3 Year	$115.00	$900.00	$900.00
5 Year	$105.00	$900.00	$900.00

(B) Channel Mileage
- Fixed

USOC	MTM	3 Year	5 Year
1L5XX	$50.00	$39.00	$34.00

Channel Mileage
- Per Mile

USOC	MTM	3 Year	5 Year
1L5XX	$10.00	$9.00	$8.25

(N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12[1] (D)

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12[1] (D)

[1] See footnote (1) on page 22-44.2.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12 Dedicated SONET Ring Service (Cont'd)

(C) Ports (Cont'd)

Description	USOC	36 Months	60 Months	Monthly Extension	
-Per Port (excluding Re-Map)					
OC-12 or OC-12c at OC-48 Node	SPRHX	375.00	360.00	475.00	
OC-3 or OC-3c at OC-48 Node	SPRJX	150.00	135.00	190.00	
DS3 at OC-48 Node	SPRKX	120.00	110.00	150.00	
EC-1 at OC-48 Node	S9NVX	120.00	110.00	150.00	
DS1 at OC-48 Node [1]	SPRLX	50.00	45.00	65.00	
OC-48 at OC-48 Node	S9T3X	1,900.00	1,650.00	2,850.00	
DS3 w/Transmux	S4NGX	250.00	200.00	300.00	(D)
100 Mbps Ethernet (STS-1) at OC-3 Node	S9TAX	145.00	130.00	225.00	
100 Mbps Ethernet (STS-1) at OC-12 Node	S9TBX	145.00	130.00	225.00	
100 Mbps Ethernet (STS-3c) at OC-12 Node	S9TCX	180.00	160.00	280.00	
1 Gbps Ethernet (STS-1) at OC-12 Node	S9TDX	250.00	200.00	350.00	
1 Gbps Ethernet (STS-3c) at OC-12 Node	S9TEX	250.00	200.00	350.00	
100 Mbps Ethernet (STS-1) at OC-48 Node	S9TGX	145.00	130.00	225.00	
100 Mbps Ethernet (STS-3c) at OC-48 Node	S9THX	180.00	160.00	280.00	
1 Gbps Ethernet (STS-1) at OC-48 Node	S9TJX	250.00	200.00	350.00	
1 Gbps Ethernet (STS-3c) at OC-48 Node	S9TKX	250.00	200.00	350.00	
1 Gbps Ethernet (STS-12c) at OC-48 Node	S9TLX	600.00	500.00	875.00	
1 Gbps Ethernet (STS-24c) at OC-48 Node	S9TMX	900.00	850.00	1500.00	

[1] Optical to Electrical DS1 add/drop capability as described in 22.3(A)(5) is needed along with an OC-3 port.

(D)
(D)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12 Dedicated SONET Ring Service (Cont'd)

(C) Ports (Cont'd)

Description	USOC	36 Months	60 Months	Monthly Extension	
- Per port (Re-Map) Per DS1 Re-Map Block (consists of 28 DS1 ports) at					
OC-3 Ring	P8RAX	1,400.00	1,260.00	1,820.00	
OC-12 Ring	P8RGX	1,400.00	1,260.00	1,820.00	
OC-48 Ring	P8RLX	1,400.00	1,260.00	1,820.00	
Per DS3 Re-Map Port					
OC-3 Ring	P8RBX	120.00	110.00	150.00	
Per DS3 Re-Map Block (consists of 3 DS3 ports) at					
OC-12 Ring	P8RCX	360.00	330.00	450.00	
OC-48 Ring	P8RKX	360.00	330.00	450.00	
Per DS3 Transmux Re-Map(1)	RN7TX	250.00	200.00	300.00	(N)
Per EC-1 Re-Map Port					
OC-3 Ring	S9N6X	120.00	110.00	150.00	
OC-12 Ring	S9N8X	120.00	110.00	150.00	
OC-48 Ring	S9N9X	120.00	110.00	150.00	
Per OC-3,OC-3c Re-Map Port at					
OC-12 Ring	P8REX	150.00	130.00	190.00	
OC-48 Ring	P8RJX	150.00	130.00	190.00	
Per OC-12,OC-12c Re-Map Port at OC-48 Ring	P8RHX	375.00	350.00	475.00	

Description	USOC	Nonrecurring Charge	
Nonrecurring charges for subsequent installation			
- Per port type			
OC-48 or OC-48c	NRBN9	$425.00	
OC-12 or OC-12c	NRBSZ	400.00	
OC-3 or OC-3c	NRBSW	400.00	
EC-1	NRBSX	385.00	
DS3	NRBSX	385.00	
DS3 w/Transmux	NRBSX	385.00	(D)
DS1	NRBSY	350.00	
100 Mbps Ethernet STS-1	NRM63	385.00	
100 Mbps Ethernet STS-3c	NRM64	385.00	
1 Gbps Ethernet STS-1	NRM65	425.00	
1 Gbps Ethernet STS-3c	NRM66	425.00	
1 Gbps Ethernet STS-12c	NRM67	425.00	
1 Gbps Ethernet STS-24c	NRM68	425.00	

(D)
(D)

[1] Available for rings established on or after 09/08/07. (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12[1] (D)

[1] See footnote (1) on page 22-44.2.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12 Dedicated SONET Ring Service (Cont'd)

(F) Dedicated SONET Ring Regenerator

Description	USOC	36 Months	60 Months	Monthly Extension
OC-3				
Each (as required)	RGY	$1,000.00	$ 800.00	$1,200.00
OC-12				
Each (as required)	RGY	2,620.00	2,095.00	3,140.00
OC-48				
Each (as required)	RGY	3,275.00	2,620.00	3,930.00

Description	USOC	Nonrecurring Charge
Nonrecurring charges for subsequent installation of Regenerator -Each (as required)	NRBS5	$270.00

(G) Shared Network Arrangement

Description	USOC	Nonrecurring Charge
Processing Charge Per Service Order	NRMCL	$30.00

(H) Installation and Rearrangement Charges

Description		Administrative Charge per Order	Design and Central Office Connection Charge, per Initial Ring	
	USOC	ORCMX	NRMCK	
OC-3		$60.00	$600.00	
OC-12		60.00	600.00	
OC-48		60.00	600.00	
STS-1		60.00		(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.12[1] (D)

[1] See footnote (1) on page 22-44.2.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Service

(A) Nodes

Description	USOC	3 year	5 Year	Monthly Extension
- Customer Premises				
First	GP5AX	$19,800.00	$14,400.00	$33,000.00
First Re-Map	RNFAX	19,800.00	16,000.00	33,000.00
Additional	GP5AA	17,800.00	13,000.00	29,475.00
Additional Re-Map	RNFAA	17,800.00	14,200.00	29,475.00
- Central Office	GC5AX	17,800.00	13,000.00	29,475.00

Description	USOC	Nonrecurring Charge
Nonrecurring charges for subsequent installation		
- Per Node		
Customer Premises	NRBS7	$400.00
Customer Premises Re-Map	NRBS7	400.00
Central Office	NRBSV	325.00

(B) Add/Drop Capability

Description	USOC	3 year	5 Year	Monthly Extension	
Per Arrangement -(per node)[1] not to exceed any configurable combination of ports beyond 192 STS-1 equivalents	MXRGX	$4,500.00	$3,240.00	$7,000.00	
-Re-Map[2]	M8RGX	$4,500.00	$3,600.00	$7,000.00	(N)

[1] The OC192 Add/Drop Capability charge is applied to all nodes, excluding regenerators and CO nodes without drop ports.
[2] Available for rings established on or after 09/08/07. (N)

22. Metropolitan Statistical Area Access Service (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Serivice (Cont'd)

(B) Add/Drop Capability (Cont'd)

Monthly Description	USOC	36 Months	60 Months	Extension
(2) Optical to Electrical Per Arrangement[1] - (per node) not to exceed any configurable combination of ports beyond 192 STS-1 equivalents	MXJGX	$2,500.00	$2,000.00	$3,500.00

Description	USOC	Nonrecurring Charge	
Subsequent Installation Per OC-3 to DS-1 Add/Drop	NRBS6	$490.00	(N)
Subsequent Installation Optical/Electrical of DS3 Add/Drop	NRBS8	$490.00	

(1) When electrical drops are required, the Optical-to-Electrical Add/Drop Capability charge is applied in addition to the Add/Drop Capability charge set forth in Section 22.5.2.13(B), preceding.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Service (Cont'd)

(C) Ports

Description	USOC	3 Year	5 Year	Monthly Extension	
- Per Port					
DS1	S9QWX	$ 50.00	$45.00	$65.00	
DS3	S9QGX	120.00	110.00	150.00	
DS3 w/Transmux[1]	S4NGX	250.00	200.00	300.00	(N)
EC-1	S9TZX	120.00	110.00	150.00	
OC-3,OC-3c	S9NEX	135.00	120.00	225.00	
OC-12,OC-12c	S9NGX	325.00	300.00	550.00	
OC-48,OC-48c	S9NJX	825.00	760.00	1,425.00	
OC-192 at OC-192 Node	S9T4X	3,300.00	3,000.00	5,700.00	
100 Mbps Ethernet (STS-1) at OC-192	S9TNX	145.00	130.00	225.00	
100 Mbps Ethernet (STS-3c) at OC-192	S9TOX	180.00	160.00	280.00	
1 Gbps Ethernet (STS-1) at OC-192	S9TPX	250.00	200.00	350.00	
1 Gbps Ethernet (STS-3c) at OC-192 node*	S9TQX	250.00	200.00	350.00	
1 Gbps Ethernet (STS-12c) at OC-192 node*	S9TRX	600.00	500.00	875.00	
1 Gbps Ethernet (STS-24c) at OC-192 node*	S9TSX	900.00	850.00	1,500.00	

Description	USOC	3 Year	5 Year	Monthly Extension	
- Per port (Re-Map)					
Per DS1 Re-Map Block (consists of 28 DS1 ports) at OC-192 Ring	RN76X	$1400.00	$1260.00	$1820.00	
Per DS3 Re-Map Block (consists of 3 DS3 ports at OC-192 Ring	RN77X	360.00	330.00	400.00	
Per DS3 Re-Map Port at OC-192 Ring	RN71X	120.00	110.00	150.00	
Per DS3 Transmux Re-Map[1]	RN7TX	200.00	250.00	300.00	(N)
Per EC-1 Re-Map Port at OC-192 Ring	S4NMX	120.00	110.00	150.00	
Per OC-3 Re-Map Port at OC-192 Ring	RN72X	150.00	135.00	190.00	
Per OC-12 Re-Map Port at OC-192 Ring	RN73X	375.00	360.00	475.00	
Per OC-48 Re-Map Port at OC-192 Ring	RN74X	825.00	700.00	1425.00	

[1] Available for rings established on or after 09/08/07. (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Service (Cont'd)

(C) Ports (Cont'd)

Description	USOC	Nonrecurring Charge	
Nonrecurring charges for subsequent installation			
- Per port type			
DS1	NRBSY	$350.00	
DS3	NRBSX	385.00	
DS3 w/Transmux[1]	NRBSX	385.00	(N)
EC-1	NRBSX	385.00	
OC-3,OC-3c	NRBSW	400.00	
OC-12,OC-12c	NRBSZ	400.00	
OC-48,OC-48c	NRBN9	425.00	
OC-192	NRBN2	750.00	
100 Mbps Ethernet (STS-1) at OC-192 node	NRM63	385.00	
100 Mbps Ethernet (STS-3c) at OC-192 node	NRM64	385.00	
1 Gbps Ethernet (STS-1) at OC-192 node	NRM65	385.00	
1 Gbps Ethernet (STS-3c) at OC-192 node	NRM66	425.00	
1 Gbps Ethernet (STS-12c) at OC-192 node	NRM67	425.00	
1 Gbps Ethernet (STS-24c) at OC-192 node	NRM68	425.00	

(D) Mileage

Description	USOC	3 Year	5 Year	Monthly Extension	
Per mile between nodes[2]	1YAZX	$260.00	$210.00	$330.00	(T)

(1) Available for rings established on or after 09/08/07. (N)
(2) A two-node ring configuration has a two-mile minimum, one mile from the CO node to the customer premise node, and one mile from the customer premise node to the CO node. (T)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Service (Cont'd)

(E) Ring Regenerator

Description	USOC	3 Year	5 Year	Monthly Extension
Each (as required)	RGY	$9,250.00	$ 7000.00	$13,875.00

Description	USOC	Nonrecurring Charge
Nonrecurring charges for subsequent installation of Regenerator -Each (as required)	NRBS5	$270.00

(F) Shared Network Arrangement

Description	USOC	Nonrecurring Charge
Processing Charge Per Service Order	NRMCL	$30.00

(G) Installation and Administrative Charges

Description	USOC	Nonrecurring Charge	
STS-1 Service	ORCMX	$60.00	(N)
Administrative Charge Per Service Order	ORCMX	$60.00	
Design and Central Office Connection Charge, Per Initial Ring	NRMCK	2,250.00[1]	

[1] Per Ring Charge for Dedicated Ring Service is applied once per original ring installed.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.13 OC-192 Dedicated SONET Ring Service (Cont'd)

(G) Installation and Administrative Charges (Cont'd)

Description	USOC	Nonrecurring Charge
Re-Map Service		
Initial Service Script Establishment/ Test Charge	NRMR1	$5,500.00
Subsequent Script Activity Charge	NRMR3	3,200.00
Scheduled Test Charge	NRMR5	4,200.00
Emergency Re-Map Activation (per request)	NRMR7	5,000.00

(H) Optical-to-Electrical Add/Drop Capability

Description	USOC	36 Months	60 Months	Monthly Extension	
Per Arrangement[1] - per node) not to exceed any configurable combination of ports beyond 192 STS-1 equivalents	MXJGX	$2,500.00	$2,000.00	$3,500.00	
-Re-Map[2] Per Optical to Electrical DS-3 Add/Drop Capability	M6JGX	$2,500.00	$2,000.00	$3,500.00	(N)
Per OC-3 to DS-1 Add/Drop[3]	MXJDX	875.00	700.00	1,050.00	
Re-Map Per OC-3 to DS-1 Add/Drop[3]	M8RDX	875.00	700.00	1,050.00	(N)

[1] When electrical drops are required, the Optical-to-Electrical Add/Drop Capability charge is applied in addition to the Add/Drop Capability charge set forth in Section 22.4(B), preceding.
[2] Available for rings established on or after 09/08/07. (N)
[3] An OC-3 port charge is needed with each Optical-to-Electrical Add/Drop (N)
Capability – Per OC-3 to DS-1 Add/Drop. (N)

(This page filed under Transmittal No. 165)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.14[1] (D)

[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.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.14[1] (D)

[1] See footnote (1) on page 22-44.13.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.14[1] (D)

[1] See footnote (1) on page 22-44.13.

22. Metropolitan Statistical Area Access Services (Cont’d)

22.5 Rates and Charges (Cont’d)

22.5.2 Special Access Service (Cont’d)

22.5.2.14[1] (D)

[1] See footnote (1) on page 22-44.13.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont’d)

22.5 Rates and Charges (Cont’d)

22.5.2 Special Access Service (Cont’d)

22.5.2.14[(1)] (D)

[(1)] See footnote (1) on page 22-44.13.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.15[1] (D)

[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.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.15[(1)] (D)

[(1)] See footnote (1) on page 22-44.18.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.15[1] (D)

[1] See footnote (1) on page 22-44.18.

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.15[1] (D)

[1] See footnote (1) on page 22-44.18.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.15[1] (D)

[1] See footnote (1) on page 22-44.18.

(Dx)

(Dx)

(x)Issued under authority of Special Permission No. 07-003 of the FCC in order to withdraw material filed under Transmittal No. 152 without its becoming effective.

(Dx)

(Dx)

(x)Issued under authority of Special Permission No. 07-003 of the FCC in order to withdraw material filed under Transmittal No. 152 without its becoming effective.

22. Metropolitan Statistical Area Access Service (Cont'd)

22.6 Nevada Bell Wire Center Information (N)

22.6.1 MSAs with Limited Service Relief

State	Wire Center CLLI	MSA Name
NB	EMPRNV11	RENO
NB	INVGNV11	RENO
NB	LCWDNV11	RENO
NB	RENONV02	RENO
NB	RENONV12	RENO
NB	RENONV13	RENO
NB	RENONV14	RENO
NB	RENONV15	RENO
NB	SNVYNV11	RENO
NB	SPRKNV11	RENO
NB	SPRKNV12	RENO
NB	STEDNV11	RENO
NB	VERDNV11	RENO
NB	WASONV11	RENO

(N)

23. Pricing Flexibility Contract Offerings

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

23.1.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 1) is an access discount plan that provides Customers with Incentive Discounts and Portability Incentives (as defined in Section 23.1.4) in accordance with the terms and conditions as set forth in this Section 23.1.3.

23.1.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 1 applies to qualified access services contained in Nevada Bell Telephone Company Tariff F.C.C. No. 1 (Qualified Access Services), listed in Table A below:

Table A

Service	General Basic Description	Rates and Charges		
High Capacity Service	7.11.1	7.11.5	22.5.2.5	
Broadband Circuit Service (BCS)	20.1	20.2	22.5.2.9	
(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(D)

(B) When additional Qualified Access Services are added to the services available under F.C.C. No. 1, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 1 for the purposes of calculating the Incentive Discounts and Portability Incentives included in this Contract Offer No. 1.

(1) Material previously contained in this section has been deleted. OCN PTP, GigaMAN and MON services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 1 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.2 Services Available Under WAMS-VIP Offer (Cont'd)

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 1.

23.1.3 WAMS-VIP Offer Terms and Conditions

The following terms and conditions apply to Contract Offer No. 1:

(A) Eligibility Criteria

(1) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in F.C.C. No. 1, Section 17 (Operating Territory);

(2) Incentive Discounts earned by the Customer under Contract Offer No. 1 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the following MSA(s) where Telephone Company has been granted pricing flexibility: Reno, Nevada; and

(3) All traffic on the Qualified Access Service(s) must originate or terminate on a wireless carrier's network.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Revenue commitments are based on billed, recurring charges for the Qualified Access Services and specifically exclude any non-recurring charges and Incentive Discounts earned under this Contract Offer No. 1;

(2) Customer must maintain a Baseline Minimum Annual Revenue Commitment of $1,176,000 (Baseline MARC) for Qualified Access Services;

(3) Contract Offer No. 1 Incentive Discounts and Portability Incentives are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs;

(4) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 1. In the event such rate modifications are made no change will be made to the Baseline MARC;

(5) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of F.C.C. Tariff No. 1 (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. Such tariff modifications will not change the terms and conditions described in Contract Offer No. 1;

(6) This Contract Offer No. 1 is available October 9, 2004 through November 9, 2004; (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) The Customer must meet the criteria described for Incentive Discounts and Portability Incentives, as provided in Section 23.1.4; and

(8) To subscribe to Contract Offer No. 1, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS shall contain the effective date ("Effective Date") and the Access Customer's Name Abbreviation(s) (ACNA) and must be signed by the Customer and the Telephone Company's representative.

(C) Term Period

The contract term (Term Period) is eighty-four (84) months commencing on the Effective Date. Each twelve (12) month period beginning with the Effective Date shall be a Term Year. At the end of the Term Period, the Incentive Discounts and Portability Incentives provided in this Contract Offer No. 1 shall be discontinued. This offer is not renewable.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts

Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under Contract Offer No. 1 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC),
Incentive Discount for WinBack Services (WinBack Incentive), and
Portability Incentive for DS3s (Portability Incentive).

(A) Incentive Discount Commitment

In order to qualify for the IDCC and Portability Incentives, Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year one (1) the Customer's IDC will equal the Baseline MARC.

(b) Unless and until Customer elects to increase the IDC, as provided in Section 23.1.4(A)(1)(c), the IDC during Term Years two (2) through seven (7) shall remain the Baseline MARC.

(c) Customer may elect, by providing written notice to Telephone Company, to increase the IDC. Customer shall notify the Telephone Company of the new IDC Level, as provided in Table B in Section 23.1.4(B). The Customer may increase the IDC Level only; the IDC Level may not be decreased. An IDC Level may be increased effective at the beginning of each Term Year, after the first Term Year, and after the first six (6) months of each Term Year (New IDC Date). Each time Customer chooses a new IDC Level, the corresponding IDC and IDCC shall apply as of the New IDC Date and for the remainder of the Term Period, unless Customer further increases the IDC as provided in this section.

(2) Application of Incentive Discount Commitment

If during the Annual True-Up, as defined in Section 23.1.5(A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC and Portability Incentives for the following Term Year, provided the criteria in Section 23.1.4(B) and (E)respectively, are met. During the first Term Year, the Telephone Company will apply the IDCC based upon IDC Level 1.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment (Cont'd)

Example: After Term Year one (1), the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $1,900,000 and the IDC is $1,176,000. Since the Achieved Revenue Amount exceeds the IDC and the Customer has not provided notice to increase the IDC to a new IDC Level, the Telephone Company would apply the IDCC, and Portability Incentives in Term Year two (2), based on the Customer's IDC of $1,176,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring revenue for Qualified Access Services in accordance with F.C.C. No. 1, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

For each Term Year, the Customer will be eligible for an "Incentive Discount Commitment Credit" (IDCC) according to Table B, per sub-section (1) below.

Table B

IDC Level	IDC	IDCC
1	$ 1,176,000	$ 105,840
2	$ 1,296,000	$ 129,600
3	$ 1,416,000	$ 169,920
4	$ 1,536,000	$ 215,040
5	$ 1,656,000	$ 248,400
6	$ 1,776,000	$ 301,920
7	$ 1,896,000	$ 379,200

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 23.1.4(A),as follows: One-quarter of the IDCC will be applied thirty (30) days in arrears from the end of the first, second, third and fourth quarters of the Term Year, based on the IDCC determined under Section 23.1.4(B)(1)(b)and 23.1.4(B)(1)(c) below.

(b) The IDCC applied during the four (4)quarters of Term Year one (1) shall be based upon IDC-Level 1.

(c) The IDCC applied during the four (4) quarters for Term Years two (2) through seven (7) will be based upon the IDC-Level determined using the IDC established in Section 23.1.4(A).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount for WinBack Services

If the Customer elects to obtain Qualified Access Service(s) located in MSAs where the Telephone Company has been granted pricing flexibility within the Operating Territory, in place of access service(s) that is provided by a carrier other than the Telephone Company or one of its affiliates, the Customer will receive a one-time credit equal to twenty percent (20%) of the first twelve (12) months billed, recurring revenue for that new Qualified Access Service (WinBack Incentive).

This WinBack Incentive credit will be applied in addition to the Incentives described in Sections 23.1.4(B)and(D).

(1) Eligibility Criteria for WinBack Incentive

(a) The Customer must present reasonable and verifiable information, which includes but is not limited to circuit detail or coordinated move orders, to demonstrate the service being converted is currently being provided by a carrier other than the Telephone Company or its affiliates; and

(b) The new Qualified Access Service(s) ordered must have a minimum term period of twelve (12) months for DS1 and DS3 orders and thirty-six (36) months for SONET services. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount for WinBack Services (Cont'd)

(2) Application of WinBack Incentive

(a) The Telephone Company will apply the credit to the Customer's bill(s) for Qualified Access Services that follows the end of the initial twelve (12) month period, thirty (30) days in arrears, as follows:

(i) When the Telephone Company and Customer have identified the start date for the term period of the WinBack Qualified Access Service in a authorization letter, the initial twelve (12) month period will be the twelve (12) month period commencing on that start date; or,

(ii) When the start date for the term period of the WinBack Qualified Access Service is established by the completion of an access service order, the initial twelve (12) month period will be the twelve (12) month period commencing on the day the access service order is completed.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS3 Qualified Access Services.

This Portability Incentive is in addition to the Incentives described in Sections 23.1.4(B) and (C).

(1) Eligibility Criteria for DS3 Portability Incentive

The following criteria must be met in order to receive the Portability Incentive:

(a) Customer's DS3s must meet the Minimum Period requirements, as established under F.C.C. No. 1, Section 7.2.4 at the previous location;
(b) The term period of the new circuit must be equal to, or greater than, the remaining term of the disconnected circuit; and
(c) The disconnect service and new service must be within the Operating Territory.

(2) Semi-Annual Review of Disconnect Access Service Orders

If Customer qualified for the Portability Incentive as set forth in Section 23.1.4(A) but cumulative "disconnect" access service orders exceeded "add" access service orders during the Term Year, as measured on a semi-annual basis, the Customer will be assessed termination liability charges on the sum difference between the cumulative disconnect and add access service orders.

(N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish whether:

(1) Customer maintained the Baseline MARC during that Term Year; and

(2) Customer met or exceeded the IDC.

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount."

(B) Annual True-Up Calculations

(1) Baseline MARC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline MARC.

(a) If Customer's Achieved Revenue Amount falls below the Baseline MARC, the Customer may pay the difference between the Baseline MARC and the Achieved Revenue Amount (Shortfall Payment).

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall Payment.

(ii) Customer must make the Shortfall Payment within thirty (30) days after receiving notification from the Telephone Company. (N)

(iii) The following Term Year's IDC and IDCC will be determined as set forth in Section 23.1.4(A)and(B).

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline MARC Annual True-Up: (Cont'd)

Example of Baseline MARC Annual True-Up:

If Customer's Achieved Revenue Amount in Term Year 5 is $1,000,000, the Baseline MARC of $1,176,000 has not been met. Customer may choose to pay the difference of $176,000 (1,176,000 – 1,000,000), in order to avoid termination liability charges.

(b) If Customer's Achieved Revenue Amount falls below the Baseline MARC for any given Term Year, and the Customer does not make the Shortfall Payment, this Contract Offer Subscription shall terminate and termination liability charges will apply, as described in Section 23.1.8(A). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up (Cont'd)

(B) The Annual True-Up Calculation (Cont'd)

(2) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will determine the IDCC for the following Term Year and the quarterly credits, for that following Term Year, will be applied as set forth in Section 23.1.4(B)(1).

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment") to be eligible for IDCC for the following Term Year as detailed below.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(ii) Customer must pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The following Term Year's IDCC will be determined as set forth in Section 23.1.4(B).

(iv) If the Customer chooses not to make the Make-Up Payment, no IDCC payments will be made to the Customer for the following Term Year.

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year 3 is $1,500,000 and the IDC is $1,296,000 the Earned IDCC for Term Year 4 would be $129,600, unless the Customer increased the applicable IDC as provided in Section 23.1.4(A). (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under Contract Offer No. 1 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in F.C.C. No. 1 Sections 2.1.2 are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c) below, or if the assignee or transferee or its parent, has commenced or had initiated against it a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the Securities and Exchange Commission or;

(b) If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by a rating organization for a possible downgrade or;

(c) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g., Standard and Poor's) but does have a Dun and Bradstreet rating and the proposed assignee or transferee is rated:

(i) Fair or below in a composite credit appraisal published by Dun and Bradstreet or;

(ii) High risk in a Paydex score as published by Dun and Bradstreet.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The terms and conditions of the Contract Offer No. 1 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in subsections (i)-(iii) below (Options), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer must send written notice to the Telephone Company within the time period described above stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date". None of the Options shall alter in any way the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including but not limited to any terms or conditions related to termination.

Option (i): The Customer and Telephone Company shall recalculate the Baseline MARC, IDC and IDCCs (Key Numbers) for the period from the Option Exercise Date to the end of the Term Period, to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(a) One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of Customer and the other entity must be included in the Contract Offer Subscription;

(b) The Baseline MARC will be adjusted according to the following formula:

The Baseline MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date multiplied by four (4) plus 1,176,000. This shall be the "Combined Baseline MARC";

(c) The IDC for the remainder of the then-current Term Year will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's actual billed recurring Qualified Access Services revenues for the three months immediately preceding the Option Exercise Date multiplied by four (4) plus the Customer's current IDC. This shall be the "Combined IDC";

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (i): (Cont'd)

(d) The IDC will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC, will be applied to the IDCCs associated with the IDC Levels that are available to the Customer, as defined in Section 23.1.4.

Example:
IDC = $1,416,000
Current IDCC Level = 3

New Entity Revenue = $1,000,000

Combined IDC = $2,416,000
($1,416,000 plus $1,000,000)

Option 1 Multiplier = 1.71
($2,416,000/$1,416,000)

(e) The IDCCs amounts will be adjusted according to the following formula:

The Option 1 Multiplier will be applied to the IDCC associated with the IDCC Levels which remain available to the Customer in order to determine the Combined IDCC.

Example:
IDC = $1,416,000
Current IDC-Level = 3
IDCC = $169,920

New Entity Revenue = $1,000,000
Combined IDC = $2,416,000
($1,416,000 plus $1,000,000)

Option 1 Multiplier = 1.71
(1,416,000/$1,000,000)

(N)

Combined IDCC = $290,563
($169,920 multiplied by 1.71)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(f) The Customer must have at least forty-eight (48) months remaining in the Term Period under the Contract Offer Subscription or, if less than forty-eight (48) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the terms and conditions of the Contract Offer No. 1 remain in effect for forty-eight (48) months after the Option Exercise Date; and

(g) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, the combined Key Numbers will be used to determine applicable IDCC amounts.

(1) If the Option Exercise Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(2) If the Option Exercise Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii): The Customer and Telephone Company shall endeavor to negotiate new Key Numbers for the period from the Option Exercise Date to the end of the Term Period, to allow for the combination of the billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under this Contract Offer Subscription provided the following conditions are met: (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (ii): (Cont'd)

(a) The Customer and Telephone Company shall each identify a team (composed of business and network subject matter experts) which shall negotiate new Key Numbers in good faith;

(b) If these discussions do not result in mutual agreement on new Key Numbers within sixty (60) days of the date of the Option Exercise Date, either Customer or Telephone Company may provide written notice to the other requesting that each party appoint a knowledgeable, responsible representative(s) to meet and negotiate in good faith to agree upon new Key Numbers. The Customer and Telephone Company intend that these negotiations be conducted by non-lawyer, business representatives. The location, form, frequency, duration and conclusion of these discussions shall be left to the discretion of the representatives;

(c) The Customer and Telephone Company shall endeavor to reach agreement upon the new Key Numbers within one hundred twenty (120) days of the Option Exercise Date; and

(d) If the Customer and Telephone Company cannot mutually agree upon new Key Numbers within timelines outlined above, and the Customer does not wish to continue according to the rates terms and conditions of this Contract Offer Subscription, the Customer may terminate the Contract Offer Subscription by giving thirty (30) days written notice to the Telephone Company. Upon such termination, the Telephone Company shall bill the Customer, and the Customer shall pay to the Telephone Company, termination liability charges as described below: (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (ii): (Cont'd)

(d)(Cont'd)

(a) For termination that occurs between twelve (12)and twenty-four (24) months after the effective Date, eighty percent (80%) of all IDCC provided to the Customer pursuant to this Contract Offer No. 1; or

(b) For termination that occurs after the first twenty-four (24) months after the Effective Date, fifty percent (50%) of all IDCC provided to the Customer pursuant to this Contract Offer No. 1.

Option (iii): The Contract Offer Subscription shall be terminated as set forth in Section 23.1.8(A). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets

If Customer is required by a regulatory agency to divest any markets, market spectrum or customers ("Divested Market") in connection with a Transfer, the Customer can request that Key Numbers be recalculated by the Telephone Company. The Customer must send written notice to the Telephone Company within sixty (60) days of completing a market divestiture. The date the Customer sends that written notice shall be the "Divestiture Notice Date". The Telephone Company will recalculate the Key Numbers as described below:

(1) The Baseline MARC, IDC and IDCC amounts will be reduced by either of the following methods, at the Customer's discretion ("Divested Revenue"):

(a) One hundred percent (100%) of the Divested Market's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a) above. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets(Cont'd)

(2) The IDCCs will be reduced according to the following steps:

Step 1.

Determine the impact on total revenue by calculating the "Divestiture Percentage". The Divestiture Percentage is the percent change between the Pre-Divest and Post-Divest revenues. The "Pre-Divest Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Divestiture Notice Date multiplied by four (4) or the Baseline MARC, whichever is greater. The "Post-Divest Revenue" equals Pre-Divest Revenue minus the Divested Revenue from (B)(1).

Example:
Pre-Divest Revenue = $1,700,000
Divested Revenue = $ 100,000
Post-Divest Revenue = $1,600,000
($1,700,000 - $100,000)

Divestiture Percentage = 6%
(1-($1,600,000/$1,700,000)) (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(2)(Cont'd)

Step 2.

The Divestiture Percentage will equal the percent reduction in the IDCs and IDCCs which remain available to the Customer.

Example:
IDCC-Level equals 5
Divestiture % = 6%

Reduced IDC = $1,598,000
($1,700,000 – ($1,700,000 X .06))

Reduced IDCC = $233,496
($248,400 – ($248,400 X .06))

(3) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Divestiture Notice Date. The recalculated Key Numbers will become effective once the Divested Market's billed, recurring revenues for Qualified Access Service are no longer being billed to the Customer ("Divestiture Effective Date"). Starting with the remaining quarters of the Term Year as of the Divestiture Effective Date, the recalculated Key Numbers will be used to determine the applicable IDCC.

(a) If the Divestiture Effective Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC will occur thirty (30) days after the Key Numbers are effective or thirty (30) days in arrears of the end of the quarter, whichever is later; or, (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) (Cont'd)

(b) If the Divestiture Effective Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible reduced IDCC will occur thirty (30) days after the Key Numbers are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

23.1.7. WAMS-VIP Cell-Site Performance – Credits

(A) Description

Cell-Site Performance Improvement Credits are available to the Customer based upon the quality of service delivered during the Term Period, as set forth in subparagraph (2) below. The credits will be granted in the event that the Telephone Company's Contract Offer No. 1 service performance level objectives for cell-site DS1 Qualified Access Services are not met.

(1) The DS1 Qualified Access Services cell-site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell-site DS1 circuits are in service during a given month compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours) plus (28 days, times 110 circuits, times 24 hours) or 148,320. This would be the denominator of the network availability equation.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(A) Description (Cont'd)

(1) Example: (Cont'd)

The numerator would be the total hours of outage based upon measured tickets reported to the Telephone Company subtracted from the 148,320. If there were eight (8) reported failures averaging 3.5 hours per outage, the total hours of outage would be equal to twenty-eight (28). The resulting availability equation for those two (2) months will be ((148,320-28)/148,320) or 99.981%. A twelve (12) month aggregation using the same process as noted for two (2) months will be used to determine annual percent availability for a Customer.

(2) Table C below provides cell-site service performance targets, based on DS-1 Percentage of Network Availability, for each Term Year.

Table C

Term Year	% Network Availability
1	99.9800%
2	99.9840%
3	99.9877%
4	99.9900%
5	99.9900%
6	99.9900%
7	99.9900%

(B) At the Annual True-Up, if the Telephone Company annual results fail to meet the performance target, as specified in Table D above, and the Customer has met the Baseline MARC, the Telephone Company will provide credits and services as follows:

(N)

(This page filed under Transmittal No. 75)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(B)(Cont'd)

(1) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble ticket reported to the Telephone Company during the Term Year for cell-site improvements. The special construction credits will be used to improve performance at mutually agreed upon Customer's cell sites that are performing below the DS-1 Percentage of Network Availability as specified in Table D above.

For example: special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell-sites; and,

(2) The Telephone Company will provide Customer the ability to purchase Automatic Loop Transfer service at twenty-five percent (25%) discount off the monthly recurring rates described in F.C.C. No. 1, Section 31.5.2 for those cell sites that fail to meet the performance target, as specified in Table D above.

23.1.8 Termination

The Customer's subscription to this Contract Offer No. 1 shall terminate if Customer gives notice to Telephone Company, as set forth in the following paragraph, and as set forth in other sections of this Contract Offer No. 1.

The termination liability charges described below shall apply if termination occurs because the Customer does not make a Shortfall Payment as described in Section 23.1.5(B)(1) and/or the Customer elects to terminate its subscription to Contract Offer No. 1 for reasons other than described in Section 23.1.6(A)(4) option(ii) and/or 23.1.8(B).

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, written notification must be provided to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.8 Termination (Cont'd)

(A) Termination Liability

Termination liability charges will consist of the sum of the following:

(1) Ten percent (10%) of the Baseline MARC divided by twelve (12)) then multiplied by the number of months remaining in the Term Period; plus
(2) Repayment of the IDCC, given under Contract Offer No. 1 during the three (3) quarters preceding the termination date.

Example:

Customer with a Baseline MARC of $1,176,000 and an IDC of $1,416,000 terminates its Contract Offer Subscription after forty-eight (48) months and with thirty-six (36) months remaining in the eighty-four (84) month Term Period, and the Customer received IDCC $127,440 for the previous three quarters before termination. The termination liability charges would be:

(($1,176,000/12) X 10% X 36) + ($127,440) = $480,240 termination liability charge.

(B) Rate Reductions

If the tariffed rates for the Qualified Access Services are reduced by a cumulative total of twenty percent (20%) from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the Contract Offer Subscription by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

To determine whether the 20% rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Qualified Access Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	CA	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage (CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

32.1.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

Telephone Company shall also perform a similar exercise within sixty (60) days following each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis). The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis Comparison

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	% Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	N/A	N/A	N/A	
Total	8600	$240,000	$192,000	20%

20% = (1-($192,000/$240,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Qualified Access Service rate elements listed below:

(1) DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed and Channel Mileage (CM) per mile;

(2) DS3 – CT, CM fixed, CM per mile and Multiplexing (MUX); and

(3) SONET – Not applicable. (N)

23. Pricing Flexibility Contract Offerings

23.2 Contract Offer No. 2 – Special Access Service Offer

23.2.1 General Description

The Special Access Service Offer (Contract Offer No. 2) is an access discount pricing plan requiring subscription from Customers under the following Access Tariffs: Ameritech Operating Companies Tariff F.C.C. No 2., Southwestern Bell Telephone Company Tariff F.C.C. No. 73, The Southern New England Telephone Company Tariff F.C.C. No. 39, Pacific Bell Telephone Company Tariff F.C.C. No. 1. and Nevada Bell Telephone Company Tariff F.C.C. No. 1. The plan requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) for five (5) years. Contract Offer No. 2 is available to any Customer with at least $18.5 million in cumulative annual recurring revenue for qualified access services in the SBC Interstate Access Tariffs as identified above. The qualified access services for the Nevada Bell Telephone Company (NBTC) are listed in Section 23.2.3(B). The Customer must meet the Eligibility Criteria as described in Section 23.2.2 and the Terms and Conditions as described in Section 23.2.3.

The Customer must meet a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year term. In the event the Customer does not meet its MARC as of each anniversary date, the Customer will be required to remit a payment, via the Annual True-Up process described in Section 23.2.4(D), otherwise termination liability charges will apply. Contract Offer No. 2 will only be available November 17, 2004 through January 17, 2005.

23.2.2 Eligibility Criteria

The following Eligibility Criteria must be met in order to receive Contract Offer No. 2 discounts:

(A) Contract Offer No. 2 is only available for services located in the following Metropolitan Statistical Areas (MSAs): Reno, NV

If the Telephone Company receives pricing flexibility relief in additional MSAs, the Customer will be able to use services and/or revenue from those areas to meet MARC commitments upon adjustment of the MARC for those incremental revenues as defined in Section 23.2.4.

(B) The Customer cannot subscribe to this Contract Offer concurrently with SBC's MVP offering in Section 22.

(C) The Customer must have a minimum of $18.5 million in cumulative annual recurring revenue for Voice Grade(VG), Digital Data (DS0), High Capacity (DS1 and DS3), [1], and (D)
[1] Services from this Contract Offer and the Contract (D)
Offers listed in Section 23.2.3 (A).

[1] Material previously contained in this section has been deleted. OCN PTP and GigaMAN services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 2 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.2 Eligibility Criteria (Cont'd)

(D) The Customer must maintain an Access Service Ratio, equal to or greater than 98%. The Access Service Ratio is defined in Section 23.2.3(H) and will be measured monthly.

23.2.3 Terms and Conditions

(A) Concurrent Subscription

The Customer must concurrently subscribe to the parallel Contract Offers of Contract Offer No. 23 pursuant to the following tariffs:

(1) Pacific Bell, Tariff F.C.C No. 1, Section 33, Contract Offer No. 34.
(2) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 43.
(3) Southwestern Bell Tariff F.C.C. No. 73, Section 41, Contract Offer No. 31.
(4) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 6.

(B) Subject Services

Contract Offer No. 2 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) VG/DS0 Services - NBTC Tariff F.C.C. No. 1, Sections 7.7.6, 7.10.5 for Phase I MSAs, and Sections 22.5.2.1, 22.5.2.4 for Phase II MSAs;
(2) DS1/DS3 Service - NBTC Tariff F.C.C. No. 1, Section 7.11.5.3 for Phase I MSAs and Section 22.5.2.5, 22.5.2.6, 22.5.2.11 for Phase II MSAs;
(3) [1] Service – NBTC Tariff F.C.C. No. 1, Section [1] (D)
and Section [1] for Phase II (D)
(4) [1] Service – NBTC Tariff F.C.C. No. 1 Section [1] for (D)
Phase I MSAs and Section [1] for Phase II MSAs. (D)

All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 23.2.4.

[1] See footnote (1) on page 23-30.

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(C) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives a completed Letter of Authorization (LOA) from the Customer. Contract Offer No. 2 is not renewable.

Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any Subsequently Added Services to which Customer subscribes after commencement of the Term Period in accordance with the terms set forth herein, must be on five (5) year term payment plans or converted to five (5) year term payment plans (where available) in order to receive discounts pursuant to this Contract Offer. If five (5) year term is not available, the Customer must select from the longest term plan available for the service. The Customer may select from any term plan available for purchases of new Subject Services.

(D) Discounts

Discounts will be applied 60 days after the close of each quarter beginning with the first three months after contract commencement. Discounts will be applied each quarter that the Customer complies with MARC requirements, all Eligibility Criteria, and all Terms and Conditions. MARC calculations are discussed in Section 23.2.4 and the application of discounts is detailed in Section 23.2.5.

(E) General

Services are subject to certain rates, charges, and general terms and conditions in other sections of F.C.C. Tariff No. 1, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and (N)
Conditions described in this Contract Offer.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 - DS1, DS3, [1] Service Offer (Cont'd) (D)

23.2.3 Terms and Conditions (Cont'd)

(F) Contract Termination

If the Customer should terminate this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 23.2.8.

If the Customer fails to maintain any of the Terms and Conditions detailed in Section 23.2.3, the Telephone Company will notify the Customer in writing. The Customer will have 60 days to return to compliance. Failure to comply within 60 days will constitute a default and the Telephone Company shall have the right to terminate this contract. In the event of termination by Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(G) Minimum Annual Revenue Commitment (MARC)

Customer must maintain a MARC (as described in Section 23.2.4) for each year in the Term Period of this Contract Offer.

(H) Access Service Ratio

As referenced in Section 23.2.2(D), the Customer and its affiliates must maintain an Access Service Ratio of 98% or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 98%. The 98% ratio is calculated as follows:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's and its affiliates interstate recurring billed revenue associated with the rate elements, as defined in Table A:

TABLE A:

Service	General/Basic Description
Voice Grade	7.7.1-5
DS0, DS1, DS3 Services	7.10.1-4, 7.11.1-5
[1]	[1]
[1]	[1]

(D)
(D)

(2) Wholesale Revenue is the Customer's and its affiliates recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s).

[1] See footnote (1) on page 23-30.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services
DS3/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	OC-3 Entrance Facilities OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing All OCN equivalent non-tariffed Committed Information Rate Broadband Service
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(Z)

(Z)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

(3) As new rate elements are introduced to Table A in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(4) As new rate elements are introduced to Table B in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Wholesale Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given month of the term, upon notification from the Telephone Company, the Customer has ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 98% Access Services Ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and the Telephone Company shall have the right to terminate this Contract Offer. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(6) Credits will not be issued until the Customer has met the 98% Access Services Ratio.

(I) The Customer will not be able to subscribe to any future Contract Offerings in Section 23 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer.

(J) The Customer must pay billed charges in full for the Term Period of the contract, excluding amounts being disputed. The Telephone Company will provide Customer written notice of a non-compliance situation. Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 23.2.8 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(K) Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5 and Section 23.2.3 (J) above.

(L) The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviation (ACNA), Other Company Name (OCN) and/or Tiecodes (collectively " Company Code(s)") that the Customer designates for inclusion in this Contract Offer. Company Code(s) may be added by the Customer after initial subscription but are subject to revenue and calculation requirements discussed in Section 23.2.4 (B). Customer shall not incur any termination liability under the relevant tariffs as a result of adding any such Company Code(s).

23.2.4 Minimum Annual Revenue Commitment (MARC)

(A) Calculation of the MARC

Under Contract Offer No. 2, the Customer must establish and maintain a MARC. The MARC will be calculated as outlined in this section. The MARC for the first year will be established when the Telephone Company receives the Letter Of Authorization (LOA) from the Customer and the Customer identifies the Company Code(s) that will be included in this Contract Offer pursuant to Section 23.2.3 (L).

The Customer's MARC for Year 1 is calculated based on the total of the previous three (3) months recurring revenue (recalculated to five-year term rates where applicable pursuant to Section 23.2.3 (C)) for all Subject Services identified in Section 23.2.3 (B) from the SBC Tariffs identified in Section 23.2.3 (A) in eligible pricing flexibility MSAs, multiplied by four (4):

(Prior 3 months recurring revenue) x 4 = Year 1 MARC. The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date.

Example for Year 1 MARC Establishment:
The Customer's prior 3 months recurring revenue (re-rated to 5 year term rates) is $5M. The Customer's Year 1 MARC would be $20M. ($5M X 4).

The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date as follows:

Total of the prior three (3) months recurring revenue for all Subject Services multiplied by four (4).
If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will carryover for the new year. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Calculation of the MARC (Cont'd)

Example for Year 2 MARC Establishment:

The Customer's prior 3 months recurring revenue is \$4M. The Customer's Year 2 MARC is \$20M. (\$4M X 4 = \$16M < \$20M). In this example the Customer's prior 3 months recurring revenue multiplied by 4 is less than the Year 1 MARC.

If the Value is less than the Year 1 MARC, then the Year 1 MARC will be used for Year 2.

If the Value calculated is greater than the Year 1 MARC, then the newly calculated MARC will be used as the Year 2 MARC.

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not listed in Section 23.2.2, the Telephone Company will recalculate the MARC to incorporate recurring revenues from those areas and will include those revenues in the calculations discussed in Section 23.2.4 (B).

(B) Calculations to Achieve the MARC

Recurring revenue will be counted to determine whether the Customer achieves its MARC based on the following criteria:

Revenue from Existing Services:

(1) Recurring revenue from Subject Services to which the Customer subscribes as of the commencement of the Term Period and which are billed under the specific Company Code(s) provided by the Customer pursuant to Section 23.2.3 (L) will be included in the calculation used to achieve the MARC effective upon the commencement of the Term Period. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services:

N)

Recurring revenue from Subject Services to which the Customer does not subscribe as of the commencement of the Contract Term Period will not be included in the calculations used to achieve the MARC except as specifically allowed in this subsection. Subject Services ordered prior to, and/or purchased after subscription to this Contract Offer and not subscribed to by the Customer as of the commencement of the Contract Term Period will be considered Subsequently Added Services.

Subsequently Added Services will be recalculated to five (5) year term payment plans in accordance with Section 3.2.3(C). Recurring revenue generated from these Subsequently Added Services may only be used in the calculations used to achieve the MARC after (1) the Telephone Company issues a completed service order, (2) the Customer has been billed for the Subsequently Added Services, and (3) the Subsequently Added Services are qualified under one of the following provisions:

(a) First Six (6) Months After Contract Subscription

Within the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision. The Customer must notify the Telephone Company in writing of its desire to include additional Company Code(s) and specify the Company Code(s) to be added. The recurring revenue from Subject Services of these Company Code(s) (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)) shall be eligible for the MARC discounts as detailed in Section 23.2.5 (A)(1). The recurring revenues from Subject Services of these added Company Code(s) are not eligible for above the MARC discounts detailed in Section 23.2.5 (A)(2) or win-back credits detailed in Section 23.2.5 (E).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services (Cont'd)

(b) After the first six (6) Months of Contract Subscription

After the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision.

If the Customer chooses to include any of its additional existing Company Code(s) after the first six (6) months of subscription to this Contract Offer, the Customer must notify the Telephone Company in writing of its desire to include additional Company Code (s) and specify the Company Code(s) added at which time the MARC developed pursuant to Section 23.2.4 (A) will be re-calculated and increased to reflect the additional Company Codes (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)). The recurring revenue from Subject Services of these Company Codes shall be eligible for the MARC discounts detailed in Section 23.2.5 (A),the above the MARC discounts detailed in Section 23.2.5 (A)(2) and the win-back credits detailed in Section 23.2.5 (E).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(3) Mergers and Acquisitions

If, after subscribing to this Contract Offer, the Customer merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company (the foregoing generally referred to herein as a merger or acquisition) or establishes joint marketing arrangements with another company for Subject Services (including services currently or previously provided through the Telephone Company's network under any Company Code(s)), the Mergers and Acquisition provisions discussed in Section 23.2.7 will apply.

(C) MARC Adjustments

The Customer shall have the right to adjust the MARC downward by 10% or 20%. This adjustment can only be made one time during the life of the Contract Term Period anytime after the first 12 months of the Contract Term Period. If the Customer exercises this option, reduced discounts (as specified in Table E Section 23.2.5(B) shall apply for the remainder of the Contract Term Period, discounts previously provided during that contract year will be re-rated retroactively to reflect the reduced discount level, and certain provisions will no longer apply as detailed in Section 23.2.5(B). If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 23.2.7, reduced discounts will remain for the life of the Contract Term Period, and discounts previously received during that contract year will not be re-rated provided the Eligibility Criteria in Section 23.2.2, Terms and Conditions in Section 23.2.3 and the quarterly MARC schedule in Table D Section 23.2.5 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 23.2.5. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC commitment as of the anniversary dates, the Customer will be notified by the Telephone Company.

The Customer must remit an Annual True-Up amount calculated as the difference between the annual MARC for the current plan year and the actual annual recurring revenue for the Subject Services.

If the Telephone Company does not receive the Annual True-Up amount within 30 days of the Customer's receipt of its notification, the Customer is deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 23.2.8.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits

(A) Discount Schedule and Application

Table C contains the level of discounts for this Contract Offer.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	7%	20%
2	9%	20%
3	10%	20%
4	11%	20%
5	12%	20%

Example for Year 1:

Customer's MARC = $20M
Customer's actual annual recurring revenues for Subject Services = $25M
Customer will receive a 7% discount on $20M (issued quarterly in accordance with subsection (1) below) and a 20% discount on $5M (issued annually in accordance with subsection (2))

(1) The Customer will receive MARC discounts quarterly on recurring revenues for all Subject Services up to the MARC. The discount will be applied 60 days after the close of the quarter. Recurring revenue above the MARC is subject to discounts discussed in Section 23.2.5 (A)(2) below. Recurring revenue from Company Codes added pursuant to Section 23.2.3 (L) will receive quarterly discounts described below at the time the codes are added.

The Customer will receive the quarterly discounts as long as the following percentages of the MARC have been achieved by the close of the quarter per Table D. Discounts will be withheld if the Customer does not meet the percentage requirements in any given quarter and discounts will not be issued until the Customer is in compliance with the MARC percentage schedule as outlined below.

Table D:

Quarter	% of MARC
1st	25%
2nd	50%
3rd	75%
4th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

(1) (Cont'd)

For example, if the Customer has achieved 25% of the MARC by the close of the 1st quarter and is in compliance with all Terms and Conditions of this Contract Offer, discounts will be issued. If in the second quarter the Customer only achieves 40% of the MARC and all Terms and Conditions are met, discounts will be withheld. If by the 3rd quarter the Customer has achieved 75% of the MARC and is in compliance with all Terms and Conditions, discounts previously withheld in the 2nd quarter will be issued as well as discounts due for the 3rd quarter.

(2) The Customer will receive the 20% discount on recurring revenues above the MARC annually. The discount will be applied 60 days after each contract anniversary. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for above the MARC discounts unless added pursuant to Section 23.2.3 (L) or Section 23.2.7. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(B) MARC adjustments Discount Schedule and Application

Table E outlines discounts that the Customer will be eligible to receive depending on the MARC adjustment percentage chosen pursuant to Section 23.2.4 (C)

TABLE E:

MARC Adjustment	10%	20%
Discounts	Year 2 – 3% Year 3 – 4% Year 4 – 5% Year 5 – 6%	Year 2 – 2% Year 3 – 2% Year 4 – 3% Year 5 – 3%
Above MARC discount	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.

For example, the Customer's year 1 MARC is $17M. The Customer's year 2 MARC is $18M (calculated as revenue from the last quarter in year 1 x 4). On the anniversary date at the end of year 2, the Customer's year 2 recurring revenue is $15M. The Customer elects to invoke the MARC adjustment option and adjust the MARC downward by 20%. The Customer's year 3 recalculated MARC is therefore $14.4M = ($18M x 80%).

The Customer's discounts (including any previously withheld) for year 2 will be recalculated to reflect levels as set forth in Table E and would total $300K ($15M x 2%). Any discounts that have been applied to the Customer's bill during year 2 in excess of $300K will be back-billed. The discount amount for year 3 is also 2% as set forth in Table E.

Discounts, on a going forward basis, will be based on the re-calculated MARC and will be subject to percentages as detailed in Table E. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(C) Non-Recurring Charges

The Telephone Company will waive Non-recurring charges associated with the purchase of VG, DS0, DS1, DS3, OCN PTP, and GigaMan Services. In the event that these non-recurring charges are billed, The Telephone Company will credit these charges quarterly. Access Order and Special Construction charges will apply where applicable. Non-recurring charges will be credited quarterly as long as the Customer is in compliance with the Eligibility Criteria in Section 23.2.2 and the Terms and Conditions of this Contract Offer as specified in Section 23.2.3. If the Customer fails to meet the MARC on a contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4(D), the Customer will be back-billed the previous 12-months non-recurring charges previously waived or credited.

(D) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of DS1, DS3, and OCN PTP Services. In the event that termination liability charges for these moves and/or disconnections are assessed, the Telephone Company will credit these charges quarterly provided the following criteria are met, and provided the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. If the Customer fails to meet the MARC on each contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4 (D), the Customer will be back-billed the previous 12-months charges that were waived or credited for termination liability charges.

(1) The move, disconnect, and/or new service may be from any SBC Tariff as described in Section 23.2.1.

(2) DS1 Services

The Telephone Company will credit the Customer, quarterly, any termination liability charges assessed and not disputed for the move and/or disconnection of DS1s throughout the term of this Contract Offer No. 23, provided that the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(D) Portability (Cont'd)

(3) DS3, [1] and [1] Services (D)

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of [1], [1], and [1] services throughout the (D) Contract Term Period as long as the DS3, [1] or [1] has (D) been in service for a minimum of one (1) year from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(4) [1] and [1] Services (D)

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of [1] or [1] throughout the Contract Term (D) Period as long as the [1] or [1] has been in service for (D) a minimum of three (3) years from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(E) Winback

Winback credits will be calculated and applied on each contract anniversary date, and shall be in addition to all other discounts and credits set forth in this Contract Offer. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for win-back credits described below.

(1) The Customer will receive a 20% discount for the first 12 months of service for any DS1 or DS3 services moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone company's network for at least one year.

(2) The Customer will receive a 30% discount for the first 12 months of service for any [1], [1], [1], and/or [1] or [1] (D) moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone Company's network for at least one year.

[1] See footnote (1) on page 23-30.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(E) Winback (Cont'd)

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

23.2.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 1, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 1, Section 2.1.2, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly, more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 2 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be used in Calculations of the MARC as discussed in Section 23.2.4 (A) or Calculations to Achieve the MARC discussed in Section 23.2.4 (B), except as permitted by one of the provisions in this subsection.

The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 23.2.2 and 23.2.3 in order to exercise the provisions in this subsection.

Recurring revenue from Subject Services from the other entity involved in the merger or acquisition can not be used for any incentives or discounts contained in this Contract Offer except as permitted by one of the provisions outlined in this subsection.

The Customer shall have four one-time choices (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise any of the provisions in this subsection by the times specified in relation to the Transaction Close Date, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the Calculation of the MARC or Calculations to Achieve the MARC discussed in Section 23.2.4 (A) & (B).

The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

If the Customer has selected but not yet fully implemented one of the provisions in this subsection, the MARC adjustment calculation as detailed in Section 23.2.4 will only apply to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition. The Customer cannot combine any of the Merger and Acquisition provisions in this subsection.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

The Telephone Company will calculate Annual Total Special Access revenue of the other company or companies involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection. The Annual Total Special Access revenue will be determined by calculating the prior three (3) months recurring revenue for Subject Services of the other company involved in the merger or acquisition multiplied by four (4). Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue from the other company involved in the merger or acquisition until after it exceeds the Annual Total Special Access revenue. After the Customer has fully implemented one of the provisions in this subsection, the Customer will be eligible for above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue above the new combined MARC.

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd) (N)

23.2.7.1 Merger and Acquisition Provisions

(A) Mergers and Acquisitions – Access Services Ratio Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of the recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 1 or 2 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

The Customer must fully comply with the Access Services Ratio Terms and Conditions within 18 months of the Transaction Close Date and must comply with the Access Conversion Schedule outlined in Table F below. As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Access Services Ratio in Section 23.2.4 (H), the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H).

If at any time the Customer does not comply with the Access Conversion Schedule outlined in Table F below, MARC discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will have 30 days to comply with the Access Conversion Schedule. If the Customer does not comply within 30 days, this Contract Offer will be considered in default, and the Telephone Company shall have the right to terminate this Contract Offer and termination liability charges will apply as detailed in Section 23.2.8. Notwithstanding the foregoing, if Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, then the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H) and the contract will not be considered in default, however, each party shall take all reasonable steps to comply as soon as possible. (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

Table F outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table F: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5th	85%
6th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(1) Option 1

(a) The Customer may establish a temporary MARC by adding 85% but no more than 100% (depending on the Customer's selection) of Special Access Services recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in the 5th year of the Contract Term Period.

(d) The temporary MARC will be calculated by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 18 months following the Transaction Close Date using the following calculation.

(i) The last 3 months (at the time of the calculation) of monthly recurring Special Access revenue for the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of temporary MARC as defined in Section 23.2.7.1 (A) (1) (d).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(2) Option 2

(a) The Customer must add at least 85% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months following the Transaction Close Date

(c) This option is not available during the 5^{th} year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (on the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 3 or 4 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(1) Option 3

(a) The Customer may establish a temporary MARC by adding 90% to 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services used to calculate the MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The temporary MARC will be established by taking the last 3 months of applicable monthly recurring Special Access revenue, for the other company involved in the merger or acquisition (from this date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection). This amount will be added to the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 12 months following the Transaction Close Date using the following calculation:

(i) The last three (3) months (at the time of the calculation) of monthly recurring Special Access revenues from the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of the temporary MARC as defined Section 23.2.7 (A) (4).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(2) Option 4

(a) The Customer must add at least 90% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months of the Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.8 Termination Liability

(A) Termination Liability Charges

If the Customer terminates Contract Offer No. 2 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), the Customer must pay the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The
Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 23.2.2, or fails to meet any of the Terms and Conditions in Section 23.2.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 2 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 1, Section 2.4.

The Customer's termination liability charge shall be equal to: 100% of all Discounts under Contract Offer No. 2 for the six (6) months immediately prior to the date of termination; plus the following schedule:

(1) If terminated in Year 1, 10.0% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.

(3) If terminated in Year 3 , 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10.0% of the Year 5 MARC for the remaining portion of Year 5. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.8 Termination Liability (Cont'd)

(B) New Technology Termination

If the Customer wishes to move its services to new alternative technology (such as Broadband over power lines, Wi-MAX, DWDM, or optical switching technologies), the Customer shall qualify to reduce the MARC termination liability charges as detailed above by 50% in year 4 and/or 5 of this Contract Offer as long as the conditions in this subsection are met. The Customer shall have the right to move its services to new alternative technology and receive reduced termination liability as long as Eligibility Criteria in Section 23.2. 2 and all Terms and Conditions in Section 23.2.3 are met. The Customer must provide documentation that reasonably demonstrates that the new technology is an alternative to existing Subject Services.

For example, if the Customer wishes to terminate this Contract Offer due to a new technology in year 4 of the Contract Offer, the termination liability charge would be equal to 100% of discounts applied during the previous six-months as well as 6.25% of the Year 4 MARC for the remaining portion of year 4, plus 6.25% of the Year 4 MARC for year 5.

The Customer must notify SBC in writing at least 90 days prior to the start of year 4 if they wish to terminate in year 4 and invoke this provision or at least 90 days prior to the start of year 5 if they wish to terminate in year 5 and invoke this provision. This notification must include the date upon which the Customer will terminate the Contract Offer. Additionally, this provision is only available to the Customer if it has not exercised the 20% MARC adjustment option as detailed in Section 23.2.4 (C).

(C) This Section 23.2.8 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 23, except for charges due and payable for Subject Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 23.2.5 (C) and (D). (N)

23. Pricing Flexibility Contract Offerings

(N)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer

23.3.1 General Description

(N)

Contract Offer No. 3 – the Broadband Plan is a special access discount pricing plan requiring subscription from the Customer under the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No 2, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, and The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39. The Broadband Plan provides discounted rates (Level II as described below) subject to volume commitments as described in Section 23.3.4 (G). (Nx)

Services covered under this Contract Offer will be grouped into Levels: (Nx)

(N)

(1)Level I – Qualified existing access services that are already in service prior to the commencement of the Term Period are "Level I" circuits. Level I circuits will be counted toward the Customer's Portability Volume Commitment, as provided in Section 23.3.4 (G) of this Contract Offer, but are not eligible for the discounts provided under this Contract Offer.

(2)Level II – Qualified access services that are installed during the Term Period, or qualified access services that migrate from Level I to Level II as described in section 23.3.5, are "Level II" circuits. Level II circuits will be counted toward the Customer's Portability Volume Commitment and also will be eligible for the discounts provided under this Contract Offer.

Qualified services under this Contract Offer are available only in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSA) as described in Section 23.3.3 (A). Contract Offer No. 3 is available for subscription from July 1, 2005 through August 1, 2005. This Contract Offer is not renewable.

(N)

(x) Issued under Authority of Special Permission No. 05-024 of F.C.C.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.2 Subject Services

This Contract Offer applies to access services that qualify for pricing flexibility (hereafter referred to as Subject Services), as provided in the following tariff sections:

(1) High Capacity Service (DS3), NBTC Tariff F.C.C. No. 1, Section 7.11.5 for Phase 1 MSAs and Section 22.5.2.5 for Phase 2 MSAs;
(2) [1] ([1], [1]) NBTC Tariff F.C.C. No. 1, Section [1] for Phase I MSAs and Section [1] for Phase 2 MSAs; (D) (D)

All terms and conditions for the Subject Services provided under this Contract Offer are governed by their respective tariff sections, except as noted herein.

23.3.3 Eligibility Criteria

The following eligibility criteria must be met for Subject Services to be provided under this Contract Offer.

(A) Subject Services must be located in the following Pricing Flexibility MSAs:

Reno, NV

If the Telephone Company receives end-user channel termination pricing flexibility relief in additional MSAs, those MSAs will be added the Broadband Plan, as outlined in Section 23.3.4 (E) of this Contract Offer.

[1]Material previously contained in this section has been deleted. OCN PTP services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 3 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.3 Eligibility Criteria (Cont'd)

(B) Subject Services must be configured as follows:

(1) Subject Services must be a non-channelized point-to point service; and
(2) Both end points of the circuit must be served by the Telephone Company and be located in an MSA listed in Section 23.3.3 (A) of this Contract Offer; and
(3) Subject Services must be at capacity levels of DS3, (D)
[1] or [1]; and (D)
(4) The 'Z' location for each circuit must be an end-user premise that is not a wireless cell site.

(C) The Customer must have a minimum of 1,200 existing Subject Service circuits meeting the configuration requirements described in Section 23.3.3 (B) of this Contract Offer.

[1] See footnote (1) on page 23-59.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.4 Term and Conditions

(A) Term Period

The Term Period for this Contract Offer shall be five (5) years commencing on the first day of the month after the Telephone Company receives a completed Letter of Subscription (LOS).

If the Customer elects to continue service upon the expiration of the Term Period, the Customer may; by written notification to the Telephone Company sixty (60) days prior to the expiration of the Term Period:

(1) Extend rates, terms and conditions of this Contract Offer for one (1) additional two (2) year term; or
(2) Select from the applicable payment options in NBTC Tariff F.C.C. No. 1.

If, at the expiration of the Term Period, the Customer does not elect an option as described above, the Subject Services provided under this Contract Offer will be subsequently be provided under the prevailing applicable monthly extension rates found in NBTC Tariff F.C.C. No. 1.

(B) Subscription

(1) Contract Offer No. 3 is available only from June 1, 2005 through August 1, 2005.

(2) To subscribe to this Contact Offer the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

(3) To subscribe to this Contract Offer the Customer must meet all eligibility criteria as outlined in 23.3.3.

(4) The Customer must also concurrently subscribe to the following contract offers pursuant to the following tariffs:

(a) SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 47;
(b) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 54;
(c) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 15;
(d) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 61.

(x) Issued under Authority of Special Permission No. 05-024 of F.C.C.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.4 Term and Conditions (Cont'd)

(A) General

(1) The Customer must subscribe to the services available under this Contract Offer according to the regulations set forth in NBTC Tariff F.C.C. No. 1, Section 5-Ordering Options for Switched and Special Access Services.

(2) Subject Services provided under this Contract Offer shall also be subject to certain rates, charges and general terms and conditions set forth in NBTC Tariff F.C.C. No. 1, Sections: 2-General Regulations, 5-Ordering Options for Switched and Special Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff revisions at any time during the Term Period, however such tariff modifications will not change the terms and conditions described in this Contract Offer.

(3) If the Customer discontinues service under this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 23.3.10 of this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.4 Term and Conditions (Cont'd)

(A) New Subject Services

(1) All of the Customer's new Subject Services that are purchased from the Telephone Company and are eligible for inclusion in this Contract Offer must be provided under this Contract Offer.

(2) The Customer may not include new Subject Services that are provided under this Contract Offer in any other promotional tariff, contract offer, or other discount plan concurrently with this Contract Offer.

(3) The Customer must subscribe to all new Subject Services according to the otherwise applicable one (1) year term payment plan.

(4) The Customer must pay all Special Construction charges associated with the provisioning of new Subject Services.

(5) New Subject Services must remain in service under this Contract Offer for at least one (1) year.

(6) New Subject Services installed in the final year of the Term Period of this Contract Offer must remain in service for at least one (1) year. Such Subject Services will continue to be subject to the Rates and Charges outlined in this Contract Offer for the remainder of the one (1) year minimum period. If any such Subject Services do not remain in service for at least one (1) year, they will be subject to Termination Liability as described in Section 23.3.10 of this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.4 Term and Conditions (Cont'd)

(A) Additional MSA Relief

(1) Upon FCC approval of additional MSAs for pricing flexibility relief for end-user channel terminations, those MSAs will be added to the Broadband Plan in TSA_3.

(2) Subject Services that were installed in such additional MSAs prior to the commencement of the Term Period will be included in this Contract Offer as Level I services; subject to existing terms for Migration to Level II as provided in Section 23.3.5.

(3) Subject Services installed, in such additional MSAs, during the Term Period will be included in this Contract Offer as Level II services.

(4) As Subject Services in such additional MSAs are provided under this Contract Offer, the then-current Portability Volume Commitment will be increased to reflect the added Subject Services, based on the in service volumes for qualified Subject Services that are reflected in the recurring billing records from the Telephone Company during the month prior to the MSA being granted pricing flexibility relief.

(B) Access Service Ratio

The Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater. The ratio will be based cumulative billing for DS1 and DS3 services in the MSAs described in Section 23.3.3 (A) of this Contract Offer for the prior six-month period. The Access Service Ratio will be calculated upon the completion of each six-month period beginning upon the commencement of the Term Period as follows:

$$\frac{\text{Access Billing} \quad - \quad \text{Wholesale Billing}}{\text{Access Billing}}$$

Where:

(1) Access Billing consists of the Customer's and its affiliates' interstate recurring billing for DS1 and DS3 rate elements, as defined in NBTC Tariff F.C.C. No. 1, Sections 7.11 and 22.5.2; and

(2) Wholesale Billing consists of the Customer's and its affiliates' recurring billing for DS1 and DS3 bandwidth equivalent rate elements, as provided in Table A, not included in the interstate tariff(s).

(N)

(This page filed under Transmittal No. 102)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.4 Term and Conditions (Cont'd) (N)

(F) Access Service Ratio (Cont'd)

Table A:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	4-wire Digital Loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 Non-tariffed Committed Information Rate Broadband Services Unbundled Dedicated Transport
DS3/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 Non-tariffed Committed Information Rate Broadband Services Unbundled Dedicated Transport

(1) If new wholesale rate elements are introduced which are comparable to those set forth in Table A, all recurring billing associated with those new rate elements will also be included in the Customer's Wholesale Billing, as defined in this Section 23.3.4 (F), for purposes of calculating the Customer's Access Service Ratio.

(2) If the Customer does not meet the Access Service Ratio, then the Customer must pay the Telephone Company an amount sufficient to result in the Customer's resulting total Access Billing being equivalent to the amount that would have been billed, had the Customer maintained an Access Service Ratio of 95 percent. If the Customer fails to pay that amount, the Customer shall be deemed to have terminated this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.4 Term and Conditions (Cont'd)

(F) Portability Volume Commitment (PVC)

Portability is provided under this Contract Offer through the Portability Volume Commitment (PVC). For purposes of determining the Customer's PVC, the Telephone Company shall aggregate volumes for the various Subject Services included in this Contract Offer by converting counts of Telephone Company assigned unique Circuit ID's, by Circuit Type, into PVC Units, as shown below in Table B.

Table B:

Qty	Circuit Type		PVC Units	
1	DS3	=	1	
1	[1]	=	[1]	(D)
1	[1]	=	[1]	(D)

(1) PVC Level

(a) The initial PVC Level shall be established at the commencement of the Term Period and is based on the in service volumes for Level I Subject Services that are reflected in the recurring billing records of the Telephone Company during the month prior to the commencement of the Term Period.
(b) The PVC Level will be reset after each PVC Attainment Review, as described below in Section 23.3.4 (G) (2) (c).
(c) The PVC Level can not be reduced, except as provided by the PVC Reduction Option described in Section 23.3.4 (G) (5) of this Contract Offer.

[1] See footnote (1) on page 23-59.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Review

Upon the completion of each six-month period, beginning upon the commencement of the Term Period, the Telephone Company will perform a review (the PVC Attainment Review), to compare the Customer's then-current PVC Measurement to the PVC Floor.

(a) The Telephone Company shall calculate the Customer's PVC Level and PVC Floor as follows:

(i) The PVC Measurement shall be the sum of all Level I and Level II PVC Units that are reflected in the recurring billing records of the Telephone Company for the last month of the period under review.

(ii) The PVC Floor shall be equal to the Customer's then-current PVC Level, multiplied by the PVC Attainment Factor, as provided in Table C:

Table C:

Current PVC Level	**PVC Attainment Factor**
1,200 – 1,800	95%
1,801 – 2,100	92%
2,101 +	90%

(b) The Customer's PVC Measurement, at the time of each six-month review, must equal or exceed the current PVC Floor.

(i) If the PVC Measurement is greater than or equal to the PVC Floor, the Customer shall be deemed to have met the PVC requirement for the six-month period under review.

(ii) If PVC Measurement is lower than the PVC Floor, then the Customer must pay the PVC Attainment Shortfall as described in Section 23.3.4 (G) (3).

(c) Upon completion of the PVC Attainment Review, the PVC Level shall be reset to the PVC Measurement calculated for the period under review, or the existing PVC Level, whichever is greater.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

(N)

23.3.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Shortfall Payment

The PVC Attainment Shortfall Payment shall be calculated as follows:

(a) The PVC Unit Shortfall shall be calculated according to the following equation: (PVC Level x 95%) - PVC Measurement = PVC Unit Shortfall.

(b) The PVC Attainment Shortfall Payment shall be calculated by multiplying the PVC Unit Shortfall by $9,600.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Attainment Review Example

At month 6:
PVC Level = 1,500. PVC Measurement = 1,800. PVC Measurement exceeds PVC Floor of 1,425, thus commitment is met and new PVC Level is reset to 1,800.

At month 12:
PVC Level = 1,800. PVC Measurement = 1,750. PVC Measurement exceeds PVC Floor of 1,710, thus commitment is met and PVC Level remains 1,800.

At month 18:
PVC Level = 1,800. PVC Measurement 18 = 1,700. PVC Measurement is below PVC Floor of 1,710, thus commitment is not met. Customer must pay PVC Attainment Shortfall and PVC Level remains = 1,800.

Month 18 PVC Attainment Shortfall calculation:
Step 1 – (PVC Level x 95%) - PVC Measurement = PVC Unit Shortfall
[(1,800 x 95%) – 1,700] = 10
Step 2 - PVC Unit Shortfall x $9,600 = PVC Attainment Shortfall Payment
10 x $9,600 = $96,000

Table D: PVC Attainment Review Example

Completed Contract Month	**PVC Level**	**PVC Floor**	**PVC Measure-ment**	**PVC Attainment Review**	**PVC Unit Shortfall**	**PVC Attainment Shortfall**
6	1,500	1,425	1,800	met	0	n/a
12	1,800	1,710	1,750	met	0	n/a
18	1,800	1,710	1,700		10	$96,000

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.4 Term and Conditions (Cont'd)

(G) Portability Volume Commitment (PVC) (Cont'd)

(1) PVC Reduction Option

Annually, upon each anniversary of the commencement of the Term Period, the Customer shall be permitted to reduce its PVC Level, as outlined herein:

(a) The PVC Reduction Option is available only if the Customer has met the PVC requirements of this Contract Offer during the previous six-month period, as provided in Section 23.3.4 (G) (2) (b) of this Contract Offer, either by meeting the PVC Attainment Review criteria or by making the PVC Attainment Shortfall Payment.

(b) The PVC Reduction Option lowers Customer's PVC Level; however, the Customer's PVC Level remains subject to increase through the PVC Attainment Review process as provided in Section 23.3.4 (G) (2) of this Contract Offer.

(c) The Customer must notify the Telephone Company, in writing, within sixty (60) days following the anniversary of the commencement of the Term Period, of its decision to reduce the PVC Level, to be effective during the year of the Term Period in which notice is provided. The Customer shall include in its notice a PVC Reduction Amount, which shall be the amount of the reduction the customer has chosen, expressed in PVC Units.

(d) A PVC Reduction Charge shall be calculated by multiplying the PVC Reduction Amount by $1,600, then multiplying that amount by the PVC Term Factor, as provided in Table E:

Table E:

	PVC Term Factor
Completion of Year 1	24
Completion of Year 2	18
Completion of Year 3	12
Completion of Year 4	6

Example: PVC Reduction
Customer requests a PVC Reduction of 10 PVC Units upon the completion of Year 2. PVC Reduction Charge is calculated as follows:

Requested PVC Reduction x $1,600 x PVC Term Factor = PVC Reduction Charge
10 x $1,600 x 18 = $288,000

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.5 Migration of Subject Services from Level I to Level II

Eligible Level I circuits may migrate to Level II of this Contract Offer. Migration from Level I to Level II may occur either automatically under defined circumstances (Type I Migration) or at the option of the Customer (Type II Migration), as further provided below. Upon migration, migrated circuits shall be subject to TSA_3 Rates and Charges, as provided in Section 23.3.7 of this Contract Offer.

(A) Migration Eligibility

Level I circuits must meet the following qualifications to deemed eligible to migrate to Level II.

(1) Level I circuits eligible for migration cannot be included in a promotional tariff or contract offering of any kind.

(2) Level I circuits shall continue to be subject to the rates, terms and conditions of the otherwise applicable tariffs, including any otherwise applicable term payment plans. Upon expiration of existing term payment plans for Level I circuits the Customer must select one of the following options for the circuits to remain eligible for Level II status:

(a) Circuits may be provided according to Monthly Extension Rates; or
(b) Circuits may be renewed for terms equal to the existing terms; or
(c) Circuits may be renewed for terms shorter than the existing terms. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.5 Migration of Subject Services from Level I to Level II (Cont'd)

(A) Rank Ordered Migration List

(1) Upon completion of each PVC Attainment Review, the Telephone Company will provide the Customer a Rank Ordered Migration List of eligible Level I circuits. Type I and Type II Migration to Level II will be based on this list. To be included on the Rank Ordered Migration List, circuits must remain eligible for migration, as provided Section 23.3.5 (A) of this Contract Offer.

(2) Level I circuits eligible for migration will be included in the Rank Ordered Migration List. The first criterion for the rank ordering shall be the service term applicable to each circuit (Expired Plans, 1 yr, 2 yr, 3yr, 4 yr and 5 yr respectively). The second criterion for the rank ordering shall be oldest Service Establishment Date. Both the service term and Service Establishment Date shall be determined according to the end-user termination rate element in the Telephone Company's billing records.

(B) Type I Migration

Type I Migration shall occur automatically if, upon any PVC Attainment Review, the PVC Measurement exceeds the PVC Level. For each PVC Unit by which the PVC Measurement exceeds the PVC Level, one PVC Unit shall be migrated from Level I to Level II. The order of migration shall be determined according to the Rank Ordered Migration List. TSA_3 pricing shall apply to all circuits subject to Type I Migration, effective on the first day of the subsequent PVC Attainment Review Period.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.5 Migration of Subject Services from Level I to Level II (Cont'd)

(A) Type II Migration

Type II Migration shall be permitted at the Customer's option, as provided in this Section 23.3.5 (D)

(1) The Customer must submit a written request to the Telephone Company meeting the following requirements:

(a) The Customer's request must be received by the Telephone Company within sixty (60) days after the completion of the last day of the six-month PVC Attainment Review Period; and

(b) The request must include the specific number of PVC Units to be migrated.

(2) The order of migration shall be determined according to the Rank Ordered Migration List.

(3) TSA_3 pricing will apply to all circuits subject to Type II Migration, effective on the date the Telephone Company receives the Customer's written request.

(4) A one-time migration charge will apply, as provided in Table F:

Table F: One-Time Migration Charge per PVC Unit

	Migration Charge *(per PVC Attainment Review Period)*							
Cumulative Net Adds	12	18	24	30	36	42	48	54
0 - 75	$10,595							
76 - 125	$8,965							
126 - 200	$7,335							
201 - 300	$5,705							
301 - 425	$4,075							
426 - 575	$2,445							
576 - 725	$815							
726 +	$0							
Less than 400			*Not Eligible for Type II*					
Greater than 400			$2,445		$1,630		$815	

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.6 Termination Liability Credits for Renewed Level I Circuits

If the customer renews a Level I circuit as provided in Section 23.3.5 (A) (2) and that circuit is subsequently disconnected before the completion of its renewal term, the Telephone Company will credit the Customer 50% of the otherwise applicable Termination Liability charges billed to the Customer if the following requirements are met:

(A) The original term plan for the disconnected circuit must expire after the commencement of the Term Period of this Contract Offer; and
(B) The Customer must renew the Level I circuit as provided in Section 23.3.5 (A); and
(C) The renewed Level I circuit must be disconnected before the completion of the first year of the Term Period of this Contract Offer; and
(D) The Customer must pay all billed Termination Liability charges by their applicable due date.

Upon validation of compliance with the eligibility criteria, the Telephone Company will process a billing credit each quarter to the Customer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.7 Rates and Charges

(A) Target Service Areas (TSA)

Eligible MSAs have been grouped into TSA_1, TSA_2 or TSA_3 for purpose of applying the Rates and Charges as described in this section of the Contract Offer.

TSA_3
Reno, NV

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd)

23.3.7 Rates and Charges (Cont'd)

(A) Monthly Recurring Charge (MRC)

The Customer must pay the applicable MRC for each rate element listed below. Any rate elements not described below will continue to be billed at the applicable tariff rates as described in NBTC Tariff F.C.C. No. 1.

Rate Element	**Applicable USOC**	**TSA_1**	**TSA_2**	**TSA_3**	
DS3 Service					
Channel Termination	Z3MAC	n/a	n/a	$900.00	
Channel Termination	Z3MAP	n/a	n/a	$900.00	
Channel Mileage Termination	1L5XX	n/a	n/a	$332.50	
Channel Mileage Termination	1L5XX	n/a	n/a	$35.00	
(1)					(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)
(1)	(1)	(1)	(1)	(1)	(D)

(1) See footnote (1) on page 23-59.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.7 Rates and Charges (Cont'd)

(A) Nonrecurring Charges (NRC)

The Customer must pay the applicable NRC for installation and rearrangement as listed below. Any NRC not listed below will continue to be billed at the applicable tariff rates as described in NBTC Tariff F.C.C. No. 1.

Description	Applicable USOC	NRC
DS3 Service		
Channel Termination	Z3MAC	$0.00
Channel Termination	Z3MAP	$0.00

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.1.2 are met, unless (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly, more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet.

23.3.9 Mergers/Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger of acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, terms, and conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.3 Contract Offer No. 3 – Broadband Plan - Service Offer (Cont'd) (N)

23.3.10 Termination Liability

If Customer terminates this Contract Offer the termination liability language contained below applies in lieu of the termination liability language described in NBTC Tariff F.C.C. No. 1. Customer must pay to the Telephone Company termination liability charges as described below if Customer terminates this Contract Offer before the completion of the term period for any reason, or if Customer is not in compliance with Terms and Conditions in Section 23.3.4. These charges shall become due as of the effective date of the termination and are payable within 30 days of the billing invoice date.

Customer's termination liability charges for termination of this Contract Offer shall be equal to a complete reduction of the Portability Volume Commitment as outlined in 23.3.4 (G) (5). The PVC Term Factor shall be based on the longest fully completed year under this Contract Offer at termination.

Upon termination of this Contract Offer, all Subject Services provided under this Contract Offer will subsequently be provided under the prevailing applicable monthly extension rates found in NBTC Tariff F.C.C. No. 1.

If the Customer disconnects a Subject Service provided under this Contract Offer prior to the completion of the one (1) year minimum in service requirement, then the following termination liability charges will apply:

75% of all recurring charges for the balance of the one (1) year term period plus the current applicable NRC charge for a service installed under a one (1) year term payment plan less the NRC charge paid at installation of Subject Service.

The termination liability charge will be calculated as follows:

(Monthly Recurring Charges) multiplied by (Months remaining in order to achieve one (1) year in service) multiplied by (Termination liability percentage of 75%) plus current applicable NRC minus NRC charges already paid.

Example: Customer has $20,000 in Monthly Recurring Charges for a Subject Service provided under this Contract Offer. The customer paid an NRC of $550 at installation and the current applicable NRC equals $750. If Customer terminates service after six (6) months and has six (6) months remaining in order to meet the one (1) year minimum time in service, the termination liability would be calculated as:

($20,000 X 6 months X 75%) + ($750 - $550) = $90,250 (N)

(N)

23. Pricing Flexibility Contract Offerings

23.4 Contract Offering No. 4 – 2005 Access Extension Offer

23.4.1 General Description (N)

(Nx)

Contract Offer No. 4 – 2005 Access Extension Offer is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Nevada Bell Telephone Company Tariff F.C.C. No. 1, The Southern New England Telephone Company Tariff F.C.C. No. 39, and Pacific Bell Telephone Company Tariff F.C.C. No. 1. (Ameritech, Southwestern Bell Telephone Company, Nevada Bell Telephone Company, The Southern New England Telephone Company, and Pacific Bell Telephone Company shall be identified herein as the Qualified Companies). To be eligible for discounts under this Contract Offer, the Customer must meet the Eligibility Criteria set forth in Section 23.5.2 and also must comply with all terms and (Nx) conditions of this Contract Offer. (N)

Contract Offer No. 4 requires eligible customers to establish and maintain a Total Revenue Commitment (TRC), as described in Section 23.4.6 following. The TRC shall include all Contributory Services purchased from the Qualified Companies eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 23.4.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 23.4.5, Table 4, herein. Contributory Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described in Section 23.4.5 must be (N) purchased through the SBC wholesale sales channel (SBC Industry Markets).

(x) Issued under Authority of Special Permission No. 05-037 of F.C.C.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.2 Eligibility Criteria

The following eligibility criteria must be met to subscribe to Contract Offer No. 4:

(A) Managed Value Plan (MVP) Subscription

(1) At the time of subscription to this Contract Offer, the Customer must have MVP agreements pursuant to

(a) SWBT Tariff F.C.C No. 73, Section 38;and
(b) Ameritech Tariff F.C.C. No. 2, Section 19; and
(c) Pacific Bell Tariff F.C.C. No. 1, Section 22.

(2) The Customer must maintain eligibility under all MVP agreements until they expire.

(3) Such MVP agreements must all be expiring in 2005.

(B) Customer must have billed revenue from Contributory Services, as listed in Section 23.4.5, net of all discounts, credits, and adjustments equal to or greater than 86.6 percent of 2004 Gross Spend rounded to the nearest million times 7/12's as of August 1, 2005, or must buy up to that amount no later than 60 days after August 1, 2005 in order to qualify and remain qualified for Contract Offer No. 4.

(C) Concurrent Subscription

The Customer must concurrently subscribe to the identical contract offer of Contract Offer No. 4 pursuant to the following tariffs:

(1) SWBT Tariff F.C.C No. 73, Section 41, Contract Offer No. 54;
(2) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 73;
(3) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 18; and
(4) Pacific Bell Tariff F.C.C. No. 1, Section 33, Contract Offer No. 65.

(D) Discounts applied under Contract Offer No. 4 are applicable for services located in MSAs as listed in Tariff F.C.C. No. 1, Section 22.

(x) Issued under Authority of Special Permission No. 05-037 of F.C.C.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.3 Terms and Conditions

(A) Term Period

The contract term (Term Period) will begin when the Customer submits a Letter of Subscription (LOS) and will end on December 31, 2005.

(B) Terms and Conditions

(1) The Customer must establish and maintain a TRC as described in Section 23.4.6 following.

(2) Two (2) true-up periods will occur during the Term Period of this Contract Offer:

(a) The first true-up will include all billing with respect to periods from the time of subscription to Contract Offer No. 4, up to and including the final MVP true-up, and will take place no later than 30 days after the expiration of the Customer's final MVP regional contract, as described in 23.4.7 (A).

(b) The final true-up will include all billing with respect to periods from the first day following the expiration of the Customer's final MVP contract, up to and including December 31, 2005, and will take place no later then 30 days thereafter, as described in 23.4.7(B).

(3) MVP credits will continue to apply, if applicable. The MVP MATA process will take place as part of the first true-up described in Section 23.4.7 herein.

(4) Contract Offer No. 4 is only available for subscription from August 4, 2005 through September 3, 2005.

(5) Any transfer of services from non-SBC wholesale entities/Access Customer Name Abbreviation (ACNA) will require an equivalent increase in the TRC commitment based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit Amount will not change as a result of the transfer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(6) Customer will be eligible to subscribe to contract offers in Section 23 (or any successor section) filed prior to (providing the subscription window is still open) or after Contract Offer No. 4, as long as such contract offers do not reduce the TRC under Contract Offer No. 4 and the Customer qualifies for and adheres to the terms, conditions and eligibility requirements of the contract offer. For any contract offer which states that subscribers under such contract offer are not eligible to combine such contract offer with other contract offers, the Customer will not be permitted to earn any Achievement Credits with respect to such purchases, except that for any contract offer that by its terms states that nonrecurring charges apply under such contract offer the Customer will not be eligible to earn Basic or Achievement Credits associated with those nonrecurring charges.

(7) Terms and Conditions for Contributory Subject Services pursuant to other contract offers the Customer is currently subscribed to at the time of subscription to this Contract Offer, shall continue to apply to those Contributory Subject Services covered under the other contract offers.

(8) Contributory Services continue to be governed by the respective terms and conditions (including MVP provisions with respect to services subject to MVP for so long as the Customer's MVP subscription remains in effect) as defined in Tariff F.C.C. No. 1, except as noted herein.

(9) The Customer must subscribe to the services available under this Contract Offer No. 4 in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service.

(10) The Customer must submit a completed Letter of Subscription (LOS) to the Qualified Companies as described in 23.4.3(A).

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(11) The Customer must maintain an Access Service Ratio equal to or greater than 95 percent. The Access Service Ratio is defined in Section 23.4.4 and will be measured monthly.

(12) The Customer must remit bill payments as described in F.C.C. No. 1 Section 2.4.1 for all Contributory Services via electronic payment process. The Qualified Companies will provide Customer with written notice if Customer fails to comply with the requirement. The Customer will have ten (10) business days from receipt of such written notice to comply. If the Customer does not comply, the Qualified Companies shall have the right to terminate this Contract Offer. In the event of termination by the Qualified Companies, termination liability charges as set forth in Section 23.4.11 will apply. Credits, if applicable, will not be issued until the Customer has paid all billed charges

(13) If the Customer discontinues service under Contract Offer No. 4 during the Term Period, termination liability charges will apply in accordance with Section 23.4.11.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.4 Access Service Ratio

(A) As referenced in Section 23.4.3, the Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 95 percent.

The 95-percent ratio is calculated as follows:

Access Revenue
Access Revenue + Wholesale Revenue

(1) Access Revenue is the Customer's and its affiliates' current interstate recurring billed revenue associated with the rate elements, as defined in Table 1 below, or comparable interstate access services from all Qualified Companies:

Table 1:

Service	General/Basic Description	
Voice Grade	7.7.1	
Generic Digital Transport (DS0), High Capacity (DS1 and DS3) Services	7.10.1 & 7.11.1	
[1]	[1]	(D)
[1]	[1]	(D)

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table 2 herein, from all Qualified Companies not included in the interstate or intrastate access tariff(s).

[1] Material previously contained in this section has been deleted. OCN PTP,DSRS, GigaMAN and MON services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 4 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

Table 2

Service Level	Associated Rate Elements Not Included in Interstate Tariff
Voice Grade/DS0	2-wire analog and 2-wire digital loops 2-wire analog and digital transport
DS1	4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services
DS3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	OC-3 Entrance Facilities (Z) OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing (Z) All OCN equivalent non-tariffed Committed Information Rate Broadband Service
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(3) As new rate elements are introduced to Table 1 in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(4) As new rate elements are introduced to Table 2 in Section 23.4.4(A)(2), all recurring revenues associated with the new rate elements will automatically be added to the Customer's Annual Wholesale Revenue, as defined in Section 23.4.4(A)(1)preceding, for calculation of the Access Service Ratio.

(5)If the Customer fails to meet the Access Service Ratio in any given month of the Term Period, upon notification from the Qualified Companies, the Customer will have ten (10) business days to notify the Qualified Companies in writing that it will meet or exceed the 95-percent Access Service ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and Qualified Companies shall have the right to terminate Contract Offer No. 4. In the event of a termination by Qualified Companies, termination liability charges will apply as set forth in Section 23.4.11 following.

Credits will not be issued until the Customer has met the 95 percent Access Service Ratio.

23.4.5 Contributory Services
The TRC shall include all Contributory Services purchased from the Qualified Companies eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 23.4.5, Table 3, herein in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 23.4.5, Table 4, herein.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services. Customer's TRC includes revenue from all Contributory Services being provided by the Qualified Companies, as listed in Table 3 and 4 below.

Any new Special Access services added to the respective tariffs by Qualified Companies during the Term Period will qualify as Contributory Services and will be deemed to be added to the tables below.

(A) Contributory Subject Services
Contract Offer No. 4 applies to pricing flexibility qualified access services (referred to as Contributory Subject Services) located in pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Tariff F.C.C. No. 1, Section 22. Contributory Subject Services are eligible for discounts and credits under this Contract Offer and are listed in Table 3.

(This page filed under Transmittal No. 108) (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.5 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer and are listed in Table 4.

Table 3 – Contributory Subject Services

Contributory Subject Services		
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], [1], STN, FGTS, BCS, [1], [1], DAL, Program Audio, Video	(D) (D)
Interstate Switched Transport	Entrance Facility, Direct Transport	
Includes Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 23.4.6 following, for all services located in Pricing Flexibility MSA's.		

Table 4 – Contributory Non-Subject Services

Contributory Non-Subject Services		
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], [1], STN, FGTS, BCS, [1], [1], [1], DAL, Program Audio, Video	(D) (D)
Interstate Switched Transport	Entrance Facility, Direct Transport	
Intrastate Special Access	Equivalent services as Interstate Special Access above if available	
Includes all Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 23.4.6 following, for all non-price flex qualified services.		

All Terms and Conditions for all Contributory Services are governed by their respective tariff sections.

[1] See footnote (1) on page 23-85.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC)

The Customer must establish and maintain a Total Revenue Commitment (TRC) as provided in this Contract Offer. Upon subscription, the Customer's TRC will be established based on billed revenue from Contributory Services, as listed in Section 23.4.5, net of all discounts, credits, and adjustments as specified in Section 23.4.6 (B)(1)(b), equal to 86.6 percent of 2004 Gross Spend rounded to the nearest million times 5/12's.

Example: Customer's 2004 Gross Spend equals $121.3M. 86.6% of 121.3M equals $105M (rounded to the nearest million). 5/12's of $105M equals $43.75 TRC.

$121.3M * 86.6% = $105M/12 = $8.75M * 5 = $43.75M

(A) Gross Spend, as defined in Section 23.4.6 (A)(1),(2),(3),(4),(5), and (6), is calculated by taking the sum of all of the purchases from the Qualified Companies, as described in Section 23.4.5 preceding, based on billed revenue. The Gross Spend is net of all discounts from existing optional payment plans or other tariffs or offers utilized by the Customer as of the date of subscription to this Contract Offer, any renewals, replacements or extensions of the foregoing, and any underlying tariff performance credits, but does not include discounts received under MVP (MARC or SLA credits).

(1) Interstate Special Access recurring charges billed to the Customer associated with services described in Section 23.4.5 Table 3 and 4 preceding.

(2) Interstate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) except as noted in 23.4.6(A)(6).

(3) Intrastate Special Access recurring charges billed to the Customer associated with services described in Section 23.4.5 Table 4 preceding.

(4) Intrastate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges), except as noted in 23.4.6(A)(6) below.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(A) (Cont'd)

(5) Interstate Switched Access Dedicated Transport recurring and non-recurring charges (including but not limited to items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer for rate elements in Table 5 below.

Table 5

Service	General Basic Description
Entrance Facilities	Section 6.7.1(D)1
Direct Trunk Transport	Section 6.7.1(D)2

(6) Non-recurring charges detailed in 23.4.6(A)(2),(4), and (5) above exclude Special Construction and unregulated time and materials charges (e.g. Inside Wire, Custom Work Orders, etc.).

(B) Application of Credits

The Customer is eligible to receive two (2) types of credits under this Contract Offer.

(1) Basic Credit

The Basic Credit is equal to the difference between the TRC and the purchase of Contributory Services up to 148.9 percent of the TRC (rounded to the nearest million). The Customer will receive Basic Credits on Contributory Subject Services.

(a) Calculation of the Basic Credit. To determine the amount of Basic Credit the Customer can achieve, the TRC is multiplied by 148.9 percent. This amount less the TRC will equal the potential eligible Basic Credit rounded to the nearest million. If qualified, award of Basic Credit under this Contract Offer shall satisfy the Qualified Companies' Basic Credit obligations.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) (Cont'd)

Example:

The Customer has 2004 Gross Spend of $121.3M. 86.6 percent of 2004 Gross Spend equals $105M rounded to the nearest million.

The TRC is equal to 5/12's of $105M.
5/12's of $105M equals $43.75M

The eligible total Basic Credit available is:

$43.75 * 148.9% = $65.14M
$65.14M - $43.75M = $21M eligible Basic Credits rounded to the nearest million.

(b) The following credits issued to the Customer associated with the Contributory Services covered under the TRC (MVP Commitment credits, MVP SLA credits, and credit received under the first true-up attributable to this Contract Offer), but not including any discounts or credits described in 23.4.6(B)(1)(c) below, will be used by the Qualified Companies to satisfy any applicable Basic and Achievement Credit obligations under this Contract Offer.

Example:

The Customer has TRC of $43.75M. The Customer achieves 148.9 percent of TRC equal to $65.14M. The Customer has received or is entitled to receive a total of $7M in MVP Commitment Credits and $2M in MVP SLA Credits for a total of $9M in credits unrelated to this Contract Offer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(b) (Cont'd)

Table 6

2004 Gross Spend calculated as described above	86.6 percent of 2004 Gross Spend (rounded)	TRC = 5/12's of 86.6 percent 2004 Gross Spend	148.9 percent of TRC as described above (rounded)
$121.3M	$105M	$43.75M	$65.14M

Qualified Companies' Basic Credit obligations to the Customer in the amount of $21M ($65.14M - $43.75M, rounded to the nearest million) under Contract Offer No. 4, as described in Table 6, will be satisfied by the $9M in non-contract related credits acquired by the Customer under MVP and MVP SLA, and $12M in Basic Credits paid related to this Contract Offer. This amount will be determined at the final true-up period once all other credits have been applied accordingly.

(c) MVP Commitment credits applicable to periods prior to 2005, MVP SLA credits applicable to periods prior to 2005, or other credits applicable to periods prior to 2005, other discounts from optional payment plans or other tariffs or offers utilized by the Customer as of the date of subscription to this Contract Offer, any renewals, replacements, or extensions of the foregoing, and any underlying tariff performance credits (other than MVP SLA credits) will not be used to satisfy any applicable Basic or Achievement Credit Obligations under this Contract Offer.

The Customer will not pay less than the TRC for the Term Period, except as described in Section 23.4.8 following. If the Customer does not achieve the TRC through the purchase of Contributory Services as of December 31, 2005, the Customer will be required to pay the deficiency.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(c) (Cont'd)

Basic Credits shall be calculated and awarded on an aggregate basis across the Qualified Companies. If qualified for a Basic Credit, an award of Basic Credit under this Contract Offer shall satisfy any Basic Credit obligations of the other Qualified Companies under the tariff offerings listed in Section 23.4.2(C), and an award of Basic Credit under such other contract offers shall satisfy any Basic Credit obligations under this Contract Offer No. 4.

The total Basic Credit will be increased dollar for dollar to the extent that any amount by which Gross Spend during the Term Period exceeds 148.9 percent of the TRC is attributable to increases in tariff rates effective after March 31, 2005.

Example:

Customer's Gross Spend increased $10M due to applicable tariff rate increases after March 31, 2005.

Customer exceeds 148.9% of TRC by $30M.

Of the $30M, $10M is added to Basic Credit
$20M would receive Achievement Credit equal 17%

(2) Achievement Credits

Achievement Credits are those credits the Customer will receive based on purchases of Contributory Subject Services above 148.9 percent of the TRC.

(a) Achievement Credits are applied to purchase of services as described in Section 23.4.5 in excess of 148.9 percent of the TRC. The amount of applicable credit will be determined based on the amount of Gross Spend above the TRC, as defined in Section 23.4.6 preceding, measured at the final true-up period described in Section 23.4.7 below. The Customer will receive a discount on Contributory Subject Services equal to 17 percent of total revenue above 148.9 percent of the TRC.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(2) Achievement Credits (Cont'd)

(a) (Cont'd)

Achievement Credits shall be calculated and awarded on an aggregate basis across the Qualified Companies. If qualified, award of Achievement Credit under this Contract Offer shall satisfy the Qualified Companies' Achievement Credit obligations.

Example:

The Customer has TRC of $43.75M. The Customer achieves 155 percent of TRC equal to $67.8M. The Customer will receive $21M in Basic Credits as described above, and the Customer will receive $452K in Achievement Credits calculated as follows:

($67.8M minus (TRC x 148.9%)) x 17%

$67.8M – $65.14M ($43.75M x 148.9%) = $2.66M
$2.66M x 17% = $452K (Achievement Credits).

Table 7

148.9% of TRC	$65.14M
Gross Spend Achievement during Term Period (GSA)	$67.8M
Difference between 148.9% of TRC and GSA	$2.66M
Credit due for billed revenue above 148.9% of TRC x 17%	$452K

The Customer receives $21M in Basic Credits plus $452K in Achievement Credits for total credits of $21.452M as described in Table 7.

(3) Transfer of Qualified Services

(a) Any transfer of services from non-SBC wholesale entities/ACNAs will require an equivalent increase in the TRC based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit will not change as a result of the transfer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont’d)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont’d)

23.4.6 Calculation of the Total Revenue Commitment (TRC) (Cont’d)

(B) Application of Credits (Cont’d)

(3) Transfer of Qualified Services (Cont’d)

(a) (Cont’d)

Example: Customer has a TRC of $43.75M and is eligible to earn up to a maximum of $21M in Basic Credits. Customer transfers $10M of services from a non-SBC wholesale entity. The Customer’s new TRC will be $53.75M ($43.75M plus $10M = $53.75M). The Customer’s maximum Basic Credit ($21M) will not change as a result of the transfer.

23.4.7 True-up Process

To determine TRC achievement, two true-up calculations will be performed as follows:

(A) First True Up - At the expiration of the final regional MVP agreement, the minimum required revenue will be based on the TRC proportionately divided between the months of 2005, in whole or in part, under MVP and the months of 2005 not under MVP plus 7/12’s of 86.6 percent of 2004 Gross Spend as described in Section 23.4.2 preceding.

Example 1: MVP expires 8/31/05. The Customer must meet a minimum of 1/5 of $43.75M TRC, which is equivalent to $8.75M plus 7/12’s of 86.6 percent of 2004 Gross Spend, as described in Section 23.4.2 preceding.

Example 2: MVP agreements expire 8/31/05 and 10/31/05. The Customer must meet a minimum of 3/5’s of $43.75M TRC, which is equivalent to $26.25M plus 7/12’s of 86.6% of 2004 Gross Spend, as described in Section 23.4.2 preceding.

If the Customer’s purchase of Contributory Services, after all credits as described above, is greater than the minimum required revenue at time of true-up, the Customer will receive a Basic Credit equivalent to revenue above the minimum required revenue amount.

If the Customer’s purchase of Contributory Services, after all credits as described above, is below the minimum required revenue at the time of true-up, the Customer will be billed the amount required to meet the minimum revenue amount, and will pay such bill pursuant to Section 23.4.7(D).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.7 True-up Process (Cont'd)

(B) Final True Up - On December 31, 2005 calculation of final TRC achievement will be made to determine any eligible Basic or Achievement credits.

If the Customer's purchase of Contributory Services, after all credits as described above, is greater than the TRC required at time of true-up, the Customer will receive a Basic Credit against Contributory Subject Services equal to the amount above the TRC not to exceed the amount outlined in Section 23.4.6(B) preceding.

Example 3: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $54M.
The Customer will receive Basic Credit equal to $11.75M.

If the Customer's purchase of Contributory Services, after all credits as described above, is below the TRC at the time of the final true-up, the Customer will be billed the amount required to meet the TRC, and will pay such charge pursuant to Section 23.4.7(D).

Example 4: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $38.75M.
The Customer must pay $5M.

If the Customer's purchase of Contributory Services, after all credits as described above, is greater than 148.9 percent of the TRC, the Customer will receive a Basic Credit against Contributory Subject Services equal to the difference between the TRC and 148.9 percent of TRC and an Achievement Credit against Contributory Subject Services equal to a 17 percent discount on services above 148.9 percent of TRC.

Example 5: The Customer's TRC is $43.75M.
The Customer's purchase of Contributory Services is $67.8M.
The Customer receives $21M in Basic Credits and $452K in Achievement credits.

(C) If, at the time of final true-up the Qualified Companies owe the Customer a Basic Credit amount as described above, the credit will be applied to the Customer's bill no later then 30 days after the final true-up date.

(D) If, at the time of true-up, the Customer must buy up to meet the TRC as described above, payment must be submitted to the Qualified Companies no later than 30 days after the true-up date.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont’d)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont’d)

23.4.8 Service Level Agreement (SLA)

The Qualified Companies will calculate the MVP SLA 1 performance measurement point value and the SLA 2 performance measurement as if it were applicable for the full 2005 calendar year. The Qualified Companies will calculate the MVP SLA 1 performance measurement point value and the SLA 2 performance measurement, as described in F.C.C. 1 Section 22.3(G), as if it were applicable for the full 2004 calendar year. No credits will be rendered with respect to 2005 based on these calculations, but if these calculations show that the Qualified Companies would have paid out a higher amount under the MVP SLAs in calendar year 2005 (if the Customer had been eligible to receive credits under the MVP SLAs through calendar year 2005) than what the Qualified Companies would have paid out under the MVP SLAs in calendar year 2004, the Qualified Companies will determine the difference between what the Qualified Companies paid out under MVP SLA in calendar year 2004 versus what the Customer would have been eligible to receive under MVP SLA if MVP extended through calendar year 2005. If the MVP SLA credit amount the Qualified Companies would have paid out for calendar year 2005 is greater than the MVP SLA credit amount paid out for calendar year 2004, then the MVP SLA credit amount the Customer received in calendar year 2004 will be subtracted from the amount of MVP SLA credit the Customer would have qualified for in calendar year 2005 and, if a positive number, the amount of any difference, less any impact based on an MVP MARC increase, will be deducted from the Customer’s TRC.

Any credits due to the Customer resulting from any deduction to the TRC under this section will be determined and applied after the December 31, 2005 true-up process is finalized.

Example A: MVP calendar year 2005 effective SLA credit would be greater than MVP calendar year 2004 SLA credit.

The Customer’s MVP MARC = $30M (with MVP term agreement expiration August 31, 2005).

MVP calendar year 2004 total SLA credit = 1%.

$30M * 1% = $300K total SLA credit received by the Customer in calendar year 2004.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.8 Service Level Agreement (SLA) (Cont'd)

Example A:(Cont'd)

MVP calendar year 2005 effective SLA credit the Customer would have received if MVP extended through December 31, 2005 = 2%.

$30M * 2% = $600K total SLA credit the Customer would have received in calendar year 2005.

MVP calendar year 2005 effective SLA credit ($600K) minus MVP calendar year 2004 credit ($300K) = $300K.

The Customer qualifies for a $300K SLA credit to be applied to the Customer TRC.

$105M - $300K = $104.7M (new TRC).

Example B: MVP calendar year 2005 effective SLA credit is less than or equal to MVP calendar year 2004 SLA credit.

The Customer MVP MARC = $30M (with MVP term agreement expiration August 31, 2005).

MVP calendar year 2004 total SLA credit = 1%.

$30M * 1% = $300K total SLA credit received by the Customer in 2004.

MVP calendar year 2005 effective SLA credit the Customer would have received if MVP extended through December 31, 2005 = 1%.

$30M * 1% = $300K effective SLA credit the Customer would have received in 2005.

MVP plan year 2005 effective SLA credit ($300K) minus MVP plan year 2004 SLA credit ($300K) = $0.

The Customer does not qualify for any additional SLA credits toward its TRC.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.9 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 4 pursuant to F.C.C. No. 1, Section 2.1.2 of this Tariff, the Qualified Companies will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 1, Section 2.1.2, unless:

(A) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (1) or (2) below, or

(B) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50 percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(2) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.10 Mergers and Acquisitions

The terms and conditions of this Contract Offer shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases any services that are Contributory Services under this Contract Offer No. 4 from the Qualified Companies, the Contributory Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, terms, and conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

The terms and conditions of Section 23.4.9 above do not apply when the merger or acquisition occurs in accordance with the provisions outlined in this section 23.4.10.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.11 Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language in F.C.C. No. 1, Section 7. If the Customer terminates Contract Offer No. 4 before the expiration of the Term Period, for any reason whatsoever, the Customer must pay the Qualified Companies termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification ninety (90) days prior to the desired date of termination to the Qualified Companies. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 23.4.2, or fails to meet any of the terms and conditions in Contract Offer No 4, then the Qualified Companies shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to return to compliance. If the Customer does not return to compliance within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 4, and termination liability charges will apply as stated below and will be payable within thirty (30) days from the time the contract is deemed terminated.

If the Customer terminates its subscription to this Contract Offer prior to September 30, 2005, the Customer must pay termination liability charges in an amount equivalent to a prorated portion of the TRC based upon the remaining months of the TRC as shown below:

(A) Example:

The Customer's TRC is $43.75M. The Customer terminates the contract on August 31, 2005. The Customer has 4 months remaining on the contract term and will owe $35M in termination liability

$43.75M/5 * 4 = $35M = in termination liability

If the Customer terminates its subscription to this Contract Offer after September 30, 2005, the Customer must pay termination liability charges in an amount equivalent to a prorated portion of the TRC commitment based upon the remaining months of 2005, as well as any credits received under this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.4 Contract Offering No. 4 – 2005 Access Extension Offer (Cont'd)

23.4.11 Termination Liability Charges (Cont'd)

(B) Example:

The Customer's TRC is $43.75M. The Customer terminates the contract on October 31, 2005. The Customer has 2 months remaining on the contract term and has received $5M in the first true-up under this Contract Offer.

$43.75M/5 * 2 = $17.5M plus
$5M in first true-up.

$17.5M + $5M = $22.5M in termination liability.

23. Pricing Flexibility Contract Offerings

23.5 Contract Offering No. 5 – Access Discount Offer

23.5.1 General Description

Contract Offer No. 5 – Access Discount Offer is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No.73, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39, and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1. To be eligible for discounts under this Contract Offer, the Customer must meet the Eligibility Criteria set forth in Section 23.5.2, and also must comply with all terms and conditions of this Contract Offer.

Contract Offer No. 5 requires eligible customers to establish and maintain a Total Revenue Commitment (TRC), as described in Section 23.5.6 following. The TRC shall include all Contributory Services subject to this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 23.5.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 23.5.5, Table 4, herein. Contributory Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer. All Contributory Services described in Section 23.5.5 must be purchased through the SBC wholesale sales channel (SBC Industry Markets). Any Frame Relay Contributory Services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the web site established to make public any agreements for these services. Customers may reference https://primeaccess.att.com. (T)

In the event the Customer does not meet its monthly TRC amount, the Customer must remit the shortfall payment via the Monthly True-Up process set forth in Section 23.5.6. If the Customer does not meet the total TRC amount at the end of each Contract Year of the Term Period, the Customer must remit the shortfall payment via the Annual True-Up process set forth in Section 23.5.8. If the Customer does not comply with all terms and conditions of this Contract Offer (exclusive of the terms and conditions of non-tariffed agreements referenced herein) and cure any non-compliance within the cure period set forth in Section 23.5.13(A) of this Contract Offer, termination liability charges, in accordance with Section 23.5.13, will apply. Contract Offer No. 5 will be available only from November 19, 2005 through December 19, 2005.

(N)

23. Pricing Flexibility Contract Offerings (Cont’d)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont’d)

(N)

23.5.2 Eligibility Criteria (Nx)

The following eligibility criteria must be met to subscribe to Contract Offer No. 5:

(A) Managed Value Plan (MVP) Subscription

(1) At the time of subscription to this Contract Offer, the Customer must be, or have been, a participant under MVP agreements within the last 90 days, pursuant to:

(a) SWBT Tariff F.C.C. No. 73, Section 38;
(b) Ameritech Tariff F.C.C. No. 2, Section 19; and
(c) Pacific Bell Tariff F.C.C. No. 1, Section 22. (Nx)

(N)

(2) The Customer must maintain eligibility under all MVP agreements until they expire.

(3) All such MVP agreements must expire in 2005.

(B) As of December 1, 2005, the Customer must have billed revenue from Contributory Services, as listed in Section 23.5.5, net of all discounts, credits, and adjustments equal to or greater than 86.5 percent of the Customer’s Gross Spend (as defined in Section 23.5.6) for the calendar year 2004, rounded to the nearest million, times 11/12’s; or, if the Customer’s Gross Spend as of December 1, 2005 is less than that amount, the Customer must pay the Telephone Company, or any of its affiliated telephone companies as described in Section 23.5.2(C), an additional amount sufficient to make up the shortfall from that amount, no later than 60 days after December 1, 2005.

(C) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 5 pursuant to the following tariffs: (N) (Nx)

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 90;
(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 74;
(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 22; and
(4) SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 66.

Breach, cancellation or termination of any of these Contract Offers after the expiration of any cure provisions described in this Contract Offer, shall constitute a breach, cancellation or termination of all of these Contract Offers. (Nx) (N)

(D) Discounts applied under Contract Offer No. 5 are applicable for Contributory Subject Services located in MSAs as listed in Tariff F.C.C. No. 1, Section 22.

(x) Issued under Authority of Special Permission No. 05-060 of F.C.C.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.3 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) will begin on December 1, 2005 and end on December 31, 2007, upon submission of a signed Letter of Subscription.

(B) Terms and Conditions

(1) The Customer must establish and maintain a TRC as described in Section 23.5.6.

(2) A True-up will take place each month during the Term Period and annually at the end of each Contract Year, as defined in Section 23.5.6.

(a) With respect to each month's billing, the monthly true-up will include all qualified billing from Contributory Services, as described in 23.5.6(B), and will take place no later than 60 days after the end of the month, as described in Section 23.5.8,

(b) With respect to each Contract Year's billing, the annual true-up will include all qualified billing from Contributory Services, as described in Section 23.5.6, and will take place no later than 60 days after December 31, as described in 23.5.8,.

(3) MVP credits will continue to apply, if applicable, until expiration of the MVP agreement.

(4) Contract Offer No. 5 is available for subscription only from November 19, 2005 through December 19, 2005.

(5) Any Customer-requested transfer of services purchased from SBC non-wholesale entities or channels, or purchased by the Customer under a different Access Customer Name Abbreviation (ACNA) than those identified at time of subscription, will require an equivalent increase in the Customer's TRC commitment based on the amount of revenue associated with the transferred services. The Customer's maximum Basic Credit amount will not change as a result of this transfer.

(6) Any conversion of UNE or equivalent offerings to Contributory Subject Services, subject to this Contract Offer, will result in an increase in the TRC commitment equal to the revenue associated with those Contributory Subject Services and according to the rates that would apply to those Contributory Subject Services under this Contract Offer. This increase will apply to the TRC each subsequent year of the Term Period.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) The Customer will be eligible to subscribe to contract offers in Section 23 (or any successor section) filed after Contract Offer No. 5, in combination with this Contract offer, unless such contract offer states that it may not be combined with other contract offers, or as long as such contract offers do not reduce the TRC under this Contract Offer and the Customer qualifies for, and adheres to the terms, conditions and eligibility requirements of the other contract offer.

(a) If the Customer has subscribed to any other contract offer and chooses to terminate the other contract offer for purposes of subscribing to this Contract Offer, any termination liabilities provided in the other contract offer will apply according to the terms of the other contract offer.
(b) If the Customer purchases Contributory Subject Services pursuant to another contract offer, in addition to this Contract Offer No. 5, the Customer will not be eligible to earn Achievement Credits with respect to any charges that apply under the other contract offer.
(c) If the Customer purchases Contributory Services pursuant to another contract offer that states it may not be combined with other contract offers, the Contributory Services purchased under the other contract offer will not count toward achievement of Gross Spend or TRC under this Contract Offer.

(8) The Customer may choose to remove from this Contract Offer services provided under one or more Access Customer Name Abbreviations (ACNA's) without liability; however, the TRC commitment will not be reduced and the Access Service Ratio under Contract Offer No. 5 will continue to apply.

(9) Terms and Conditions for Contributory Subject Services, pursuant to other contract offers the Customer is currently subscribed to at the time of subscription to this Contract Offer, shall continue to apply to those Contributory Subject Services covered under the other contract offers.

(10) Contributory Services continue to be governed by the otherwise applicable rates, terms and conditions provided in Tariff F.C.C. No. 1 except as noted herein.

(11) The Customer must subscribe to the services available under this Contract Offer in accordance with the regulations set forth in Section 5 – Ordering Options for Switched and Special Access Service.

(12) The Customer must submit a Letter of Subscription (LOS) to the Telephone Company as described in Section 23.5.3(A).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.3 Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(13) The Customer must maintain an Access Service Ratio equal to or greater than 95 percent, except as described in Section 23.5.11 (B). The Access Service Ratio is defined in Section 23.5.4, and will be measured monthly.

(14) Commingling, as defined in Tariff F.C.C. No. 2, Section 2.6, of Subject Services under this Contract Offer, is prohibited.

(15) The Customer shall be permitted to Groom Contributory Subject Services subject to this Contract Offer as provided in this Section. Grooming is defined as moving, rearranging, or rolling over circuits subject to this Contract Offer without disconnecting the end user locations of those circuits. During Contract Years 2 and 3 (and during Years 4 and 5, if the Customer has exercised extension options), the Customer shall be permitted to Groom up to 9,000 circuits subject to this Contract Offer per year. The sum of all circuits groomed under the individual contract offers listed in Section 23.5.2 (C) cannot exceed 9,000. Grooms shall be scheduled and managed on a monthly basis according to the otherwise applicable operational methods and procedures.

(16) The Customer must remit bill payments as described in F.C.C. No. 1 Section 2.4 for all Contributory Services via electronic payment process. The Telephone Company will provide Customer with written notice if Customer fails to comply with the requirement. The Customer will have fifteen (15) business days from receipt of such written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination of any of the Contract Offers, as described in Section 23.5.2 (C), termination liability charges, as set forth in Section 23.5.13, will apply. Credits, if applicable, will not be issued until the Customer has paid all billed charges.

(17) If the Customer discontinues service under Contract Offer No. 5 during the Contract Period, termination liability charges will apply in accordance with Section 23.5.13.

(18) The Customer may exercise Contract Offer extension options as described in Section 23.5.9.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.4 Access Service Ratio

(A) As referenced in Section 23.5.4, the Customer and its affiliates must maintain an Access Service Ratio of 95 percent or greater, except as described in Section 23.5.11(B) of this Contract Offer. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 95 percent, except as provided in Section 23.5.11.

The 95-percent ratio is calculated as follows:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's and its affiliates' current interstate recurring billed revenue associated with the rate elements, as defined in Table 1 below, or comparable interstate access services, from the Telephone Company or its affiliated telephone companies in any of the Contract Offers as described in Section 23.5.2(C):

Table 1:

Service	General/Basic Description	
Voice Grade	7.7.1	
High Capacity Services	7.11.1	
(1)	(1)	(D)
(1)	(1)	(D)

Any shortfall payments remitted to meet the monthly TRC commitment will be included in the Access Revenue calculation for the applicable month.

(2) Wholesale Revenue is the Customer's and its affiliates' recurring billed revenue for associated rate elements, as defined in Table 2 herein, from the Telephone Company or its affiliated telephone companies, in any of the Contract Offers as described in Section 23.5.2 (C) and not included in the interstate or intrastate access tariff(s).

(1) Material previously contained in this section has been deleted. OCN PTP, DSRS, GigaMAN, and MON services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 5 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

Table 2 **UNE OR EQUIVALENT OFFERINGS NOT PURCHASED PURSUANT TO THIS AGREEMENT**

Service Level	**Associated Rate Elements Not Included in Interstate Tariff**
Voice Grade/DS0	**2-wire analog and 2-wire digital loops** **2-wire analog and digital transport**
DS1/LTI	**4-wire digital loop** **DS1 Entrance Facilities** **DS1 Interoffice Transport** **DS1 Cross Connects** **DS1 Multiplexing** **All DS1 non-tariffed Committed Information Rate Broadband Services**
DS3/LT3	**DS3 Loop** **DS3 Entrance Facilities** **DS3 Interoffice Transport** **DS3 Cross Connects** **DS1/DS3 Multiplexing** **All DS3 non-tariffed Committed Information Rate Broadband Services**
	OC-3 Entrance Facilities (Z) **OC-3 Interoffice Transport** **OC-3 Cross Connects** **OC-3 Multiplexing** **OC-12 Entrance Facility** **OC-12 Interoffice Transport** **OC-12 Cross Connects** **OC-12 Multiplexing** **OC-48 Entrance Facilities** **OC-48 Interoffice Transport** **OC-48 Cross Connects** **OC-48 Multiplexing** **All OCN equivalent non-tariffed** (Z) **Committed Information Rate Broadband Service**
Other Transport Products	**Dark Fiber – Interoffice** **Dark Fiber – Loop** **Dark Fiber – Subloop** **Dark Fiber Cross Connects** **Unbundled Dedicated Transport**

(3) Services purchased pursuant to a Local Wholesale Complete (LWC) Agreement shall not be included in the calculation of the Customer's Access Service Ratio.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.4 Access Service Ratio (Cont'd)

(A) (Cont'd)

(4) As new rate elements are introduced to Table 1 in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) As new rate elements are introduced to Table 2 in Section 23.5.4(A)(2), all recurring revenues associated with the new rate elements will automatically be added to the Customer's Annual Wholesale Revenue, as defined in Section 23.5.4(A) preceding, for calculation of the Access Service Ratio.

(6) Except as provided in Section 23.5.11, if the Customer fails to meet the Access Service Ratio in any given month of the Contract Period, upon notification from the Telephone Company as described in Section 23.5.2 (C), the Customer will have ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 95-percent Access Service ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default, and the Telephone Company shall have the right to terminate Contract Offer No. 5. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 23.5.13.

Credits will not be issued for any month the Customer fails to meet the Access Service Ratio as described in Section 23.5.6 following.

23.5.5 Contributory Services

The TRC shall include all Contributory Services purchased from the Telephone Company and its affiliated telephone companies in any of the contract offers, as described in Section 23.5.2 (C), eligible under this Contract Offer. Contributory Services include Contributory Subject Services, as listed in Section 23.5.5, Table 3, herein, in addition to Contributory Non-Subject Services (that are not Contributory Subject Services), as described in Section 23.5.5, Table 4, herein.

Contributory Subject Services and Contributory Non-Subject Services shall together be known as Contributory Services. Customer's TRC includes revenue from all Contributory Services being provided by the Telephone Company and its affiliated telephone companies in any of the contract offers described in Section 23.5.2 (C), as listed in Table 3 and 4 below.

(A) Contributory Subject Services

Contract Offer No. 5 applies to pricing flexibility qualified access services (referred to as Contributory Subject Services) located in pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in Tariff F.C.C. No. 1, Section 22. Contributory Subject Services are eligible for discounts and credits under this Contract Offer and are listed in Table 3.

(N)

(This page filed under Transmittal No. 114)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.5 Contributory Services (Cont'd)

(B) Contributory Non-Subject Services

Contributory Non-Subject Services (that are not Contributory Subject Services) shall not be eligible for discounts or other incentives provided under this Contract Offer, and are listed in Table 4 below.

Table 3 – CONTRIBUTORY SUBJECT SERVICES

Contributory Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], [1], STN, FGTS, BCS, [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring and Non-Recurring Charges (including termination charges) associated with the products listed where applicable, except as described in Section 23.5.6 following, for all services located in Pricing Flexibility MSAs.	

Table 4 – CONTRIBUTORY NON-SUBJECT SERVICES

Contributory Non-Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, [1], [1], [1], STN, FGTS, BCS, [1], [1], [1]
Interstate Switched Transport	Entrance Facility, Direct Transport as described in Table 6, following.
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Intrastate Switched Access	Equivalent services as described in Table 6 following.
Advanced Services	Frame Relay Service
Includes all Recurring and Non-Recurring Charges (including termination charges) associated with the products listed, where applicable, except as described in Section 23.5.6 following, for all non-price flex qualified services.	
Frame Relay services shall be provided pursuant to agreements and/or contracts. Such agreements and/or contracts shall be available for review at the web site established to make public any agreements for these services. Customers may reference https://primeaccess.att.com. (T)	

All Terms and Conditions for all Contributory Services are governed by their respective tariff sections.

[1] See footnote (1) on page 23-108.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC)

The Customer must establish and maintain a Total Revenue Commitment (TRC) as provided in this Contract Offer. Upon subscription, the Customer's TRC will be established, as described in Table 5 below, based on billed revenue from Contributory Services, as listed in Section 23.5.5, net of all discounts, credits, and adjustments as specified in Section 23.5.6(B).

The Contract Year shall be each Calendar Year, or fraction thereof, to which this Contract Offer applies, as described in Table 5 below.

Table 5

Contract Year	2005 (Dec)	2006	2007
TRC equals	86.5% of 2004 Gross Spend described in (A) below, rounded to the nearest million dollars, times 1/12's	2005 TRC times 12 times 89.7%, rounded to the nearest million dollars	2005 TRC times 12 times 83.4%, rounded to the nearest million dollars

(A) Gross Spend shall include all billed revenue for services identified in Section 23.5.6(A), and shall be based on the sum of all of the purchases from the Telephone Company and its affiliated telephone companies, including all of the contract offers as described in Section 23.5.2 (C), as described in Section 23.5.5 preceding, based on billed revenue. The Gross Spend is calculated as billed revenue, prior to the application of MVP discounts, MVP Service Level Agreement (SLA) credits and Discount Value Plan (DVP) credits, but after all other tariff term plan discounts, and other underlying tariff performance credits.

(1) Interstate Special Access recurring charges billed to the Customer associated with services described in Section 23.5.5 Table 3 and 4 preceding.

(2) Interstate Special Access non-recurring charges billed to the Customer (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges), except as noted in 23.5.6(A)(7).

(3) Intrastate Special Access recurring charges billed to the Customer associated with services described in Section 23.5.5 Table 4 preceding.

(4) Intrastate Special Access non-recurring charges billed to the Customer (including but not limited to items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges), except as noted in 23.5.6(A) (7).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(A) (Cont'd)

(5) Interstate Switched Access Dedicated Transport recurring and non-recurring charges (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer for rate elements in Table 6 below.

Table 6

Service	General Basic Description
Entrance Facilities	Section 6.8.1
Direct Trunk Transport	Section 6.8.1

(6) Intrastate Switched Access Dedicated Transport recurring and non-recurring charges (including, but not limited to, items such as termination liability charges, expedite charges, cancellation charges, rearrangement charges, installation charges, and access order charges) billed to the Customer and remitted for rate elements equivalent to those described in Table 6 above.

(7) Non-recurring charges identified in 23.5.6(A)(2), (4), (5) and (6) exclude Special Construction and unregulated time and materials charges (e.g. Inside Wire, Custom Work Orders, etc.)

(B) Application of Credits

The Customer is eligible to receive two (2) types of credits under this Contract Offer. For the purposes of this Contract Offer, Customer will receive any applicable credits (the Basic Credit and Achievement Credit) through the SBC wholesale sales channel for all of the contract offers as described in Section 23.5.2 (C). The sum of all Basic Credits applicable under the individual contract offers listed in Section 23.5.2 (C) cannot exceed the total maximum Basic Credit described in Table 7 following. Award of the credits described below under this Contract Offer shall satisfy the credit obligations of the Telephone Company and its affiliated telephone companies to the Customer, as described in Section 23.5.2(C).

(1) Basic Credit

The Basic Credit for each Contract Year shall be equal to the Gross Spend of Contributory Services minus the TRC, but not to exceed the Maximum Basic Credit as described in Table 7. This calculation shall be performed at the commencement of the Contract Offer, and the Maximum Basic Credit resulting from these calculations will not change at any time during the Term Period except as described in Section 23.5.11 following. The Customer will receive Basic Credits on Contributory Subject Services on a monthly basis, as provided in Section 23.5.6(B)(1)(b), for each Contract Year and subject to the true-up process described in Section 23.5.8 following.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) Calculation of the Basic Credit. To determine the amount of Basic Credit the Customer can achieve, the TRC is multiplied by the applicable percent as described in Table 7 below. This amount, less the TRC, will equal the potential Maximum Basic Credit, rounded to the nearest million. If qualified, award of Basic Credit under this Contract Offer shall satisfy the Basic Credit obligations of the Telephone Company and its affiliated telephone companies.

Table 7

Year	TRC	Maximum Basic Credit Amount
2005	86.5% of 2004 Gross Spend described in (A) below, rounded to the nearest million dollars, times 1/12's	310% of TRC minus the TRC amount, rounded to the nearest million dollars
2006	2005 TRC times 12 times 89.7%, rounded to the nearest million dollars	119.6% of TRC minus the TRC amount, rounded to the nearest million dollars
2007	2005 TRC times 12 times 83.4%, rounded to the nearest million dollars	123.7% of TRC minus the TRC amount, rounded to the nearest million dollars

Example A: The Customer has 2004 Gross Spend of $121.3M. 86.5 percent of 2004 Gross Spend equals $105M, rounded to the nearest million.

The 2005 TRC is equal to 1/12th of $105M. 1/12th of $105M equals $8.75M

The eligible total Basic Credit available is;

$8.75M x 310% = $27.13M

$27.13M - $8.75M = $18.38M, rounded to the nearest million, equals potential maximum Basic Credits

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(a) (Cont'd)

Example B: The 2006 TRC is equal to 2005 TRC times 12 times 89.7 percent, rounded to the nearest million.

8.75M x 12 x 89.7% = $94.18M, rounded to the nearest million

The eligible total Basic Credit available is;

$94M x 119.6% = $112.42M

$112.42M - $94M = $18.42M, rounded to the nearest million equals maximum Basic Credits

(b) Application of the Maximum Basic Credit

The TRC will be divided evenly across the number of months for each Contract Year ending December 31st as described below. The resulting monthly average amount will be the Customer's Monthly TRC commitment.

2005 – Contract Year 1 – 1 month
2006 – Contract Year 2 – 12 months
2007 – Contract Year 3 – 12 months

Example:

2005 TRC equal $8.75M

Maximum Basic Credits will be applied to the Customer's Monthly TRC revenue for Contributory Services, as described in Section 23.5 5 preceding, based on the amount above the Monthly TRC commitment, not to exceed the maximum Basic Credit allowed for each Contract Year as described in Table 7 preceding. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credit (Cont'd)

(b) Application of the Maximum Basic Credit (Cont'd)

If the Customer exceeds the Monthly TRC commitment, a credit will be issued on a monthly basis sixty (60) days in arrears. Monthly credits will be issued for every month the Customer maintains eligibility under Contract Offer No. 5 and exceeds the Monthly TRC Commitment, provided, however, that once the maximum Basic Credit is reached, as described in Table 7 preceding, no additional Basic Credits will be given for that Contract Year.

At MVP expiration, a MATA true-up will be conducted to determine the Customer's credit amount or required buy-up amount under MVP. The monthly TRC true-up will be calculated at the same time. Customer will be paid the net amount above the TRC. At the end of the Contract Year, a true-up will be conducted, as described in Section 23.5.8, to determine any additional applicable credits or buy-up amount required.

Example: The Customer's MVP expires on October 31, 2005. Under MVP MATA on October 31, the Customer has met its MARC and is due \$2M in MVP credits (earned in 2005), plus \$1M in MVP SLA credits (earned in 2005), for a total MVP credit amount of \$3M.

The Customer's monthly TRC under this Contract Offer is \$8.75M, and Customer is billed \$9.75M.

The Customer will receive the \$1M under Contract Offer No. 5.

At the Contract Year true-up, the total Gross Spend and total credits paid to the Customer, as described in Section 23.5.6 above, will be calculated to determine any additional applicable credit amount or, if a TRC shortfall occurs, the amount of buy-up the Customer will be billed.

If the Customer does not achieve the Monthly TRC commitment in a given month, the Customer will be billed, and will be required to pay, the amount required to meet the Monthly TRC commitment. This payment must be submitted to the Telephone Company no later than 60 days after the true-up date. Timely payment of this true-up amount to meet Customer's Monthly TRC commitment shall constitute full satisfaction of Customer's Monthly TRC obligation.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credits (Cont'd)

(b) Application of the Maximum Basic Credit (Cont'd)

Except as provided in Section 23.5.11, credits will not be issued unless the Customer has met the monthly TRC and the 95 percent Access Service Ratio. Under the Contract Year True-up Process, any credits due to the Customer will be paid, except for those months the Customer was not in compliance with the 95 percent Access Service Ratio, or the Temporary Access Service Ratio set forth in Section 23.5.11. Any Basic Credits paid will not exceed the amount described in 23.5.6, Table 7.

A final true-up will take place at the end of each Contract Year as described in Section 23.5.8.

(c) Any of the following credits issued to the Customer and associated with the Contributory Services included in the TRC (including MVP Commitment credits earned in 2005, MVP SLA credits earned in 2005, DVP credits, any Basic Credits received pursuant to this Contract Offer) will be applied by the Telephone Company in satisfaction of any applicable Basic and Achievement Credit obligations under this Contract Offer.

Example

The Customer has Contract Year 1 TRC of $8.75M. The Customer achieves 310 percent of the Contract Year 1TRC, equal to $27.13M. The Customer has received, or is entitled to receive, a total of $7M in MVP Commitment Credits and $2M in MVP SLA Credits, for a total of $9M in credits unrelated to this Contract Offer.

The Basic Credit obligation of the Telephone Company and its affiliated telephone companies providing service pursuant to the Contract Offers, as described in Section 23.5.2 (C), is $18M ($27.13M - $8.75M, rounded to the nearest million), as illustrated in Table 7. The Basic Credit obligation will be satisfied by the $9M in non-contract related credits acquired by the Customer under MVP and MVP SLA, plus $9M in Basic Credits paid pursuant to this Contract Offer. This amount will be determined at the time of the final Contract Year true-up, once all other credits have been applied accordingly.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of the Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(1) Basic Credits (Cont'd)

(c) (Cont'd)

The Customer will not pay less than the TRC for the Contract Year. If the Customer does not achieve the TRC at the end of each Contract Year through the purchase of Contributory Services, the Customer will be required to pay the deficiency as full satisfaction of this obligation.

Basic Credits shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 23.5.2 (C). If qualified for a Basic Credit, an award of Basic Credit under this Contract Offer shall satisfy any Basic Credit obligations of the concurrently subscribed to contract offers as described in Section 23.5.2 (C), and an award of Basic Credit under such other contract offers shall satisfy any Basic Credit obligations under this Contract Offer No. 5.

(2) Achievement Credits

Achievement Credits are those credits the Customer will receive based on purchases of Contributory Subject Services above the TRC, plus the maximum Basic Credit Amount, as described in Table 7 preceding. Achievement Credits will not be applicable until the maximum Basic Credit amount has been achieved.

(a) The Customer may receive Achievement Credits if the Customer's Gross Spend for any Contract Year exceeds the TRC plus the Maximum Basic Credit, as described in Table 7 preceding. The Customer will receive a discount on Contributory Subject Services equal to 17 percent of total revenue above the sum of the TRC, plus the Maximum Basic Credit Amount. Any applicable Achievement Credit will be paid out at the end of each Contract Year.

Achievement Credits shall be calculated and awarded on an aggregate basis across the Telephone Company and its affiliated telephone companies, as they apply to the contract offers as described in Section 23.5.2 (C). If qualified, award of Achievement Credit under this Contract Offer shall satisfy the Telephone Company's Achievement Credit obligations.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(2) Achievement Credits (Cont'd)

(a) (Cont'd)

Example:

The Customer has TRC for Contract Year 1 of $8.75M. The Customer achieves 325 percent of TRC equal to $28.44M. The Customer will receive $18M in Basic Credits as described above, and the Customer will receive $223K in Achievement Credits calculated as follows:

($28.44M minus (Contract Year 1 TRC x 310%)) x 17%

$28.44M – $27.13M ($8.75M x 310%) = $1.31M
$1.31M x 17% = $223K (Achievement Credits).

Table 8

310% of TRC	$27.13M
Gross Spend Achievement during Contract Year (GSA)	$28.44M
Difference between 310% of TRC and GSA	$1.31M
Credit due for billed revenue above 310% of TRC x 17%	$223K

The Customer receives $18M in Basic Credits plus $223K in Achievement Credits, for total credits of $18.223M, as described in Table 8. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.6 Calculation of Total Revenue Commitment (TRC) (Cont'd)

(B) Application of Credits (Cont'd)

(3) Transfer of Qualified Services

(a) The Customer may transfer services purchased from SBC non - wholesale entities or channels, or purchased by the Customer under a different Access Customer Name Abbreviation (ACNA) than those identified under this Contract Offer. Upon such transfer, the Customer's TRC commitment must be increased proportionally, based on the amount of revenue associated with the transferred services. The Customer's Maximum Basic Credit amount will not change as a result of this transfer.

Example:

The Customer has a Contract Year 1 TRC of $8.75M and is eligible to earn up to a maximum of $18M in Basic Credits. The Customer transfers $10M of services from a non-SBC wholesale entity. The Customer's new Contract Year 1 TRC will be $18.75M ($8.75M plus $10M = $18.75M). The Customer's maximum Basic Credit ($18M) will not change as a result of the transfer.

This increase in the TRC amount will apply to Contract Year 2 and Contract Year 3, as well as the optional Contract Year Extensions.

23.5.7 Portability

(A) The Telephone Company will waive termination liability charges for moves and/or disconnection of non-channelized DS1, DS3, [(1)]services connecting to an end user premise, provided the conditions listed below are met, and provided the Eligibility Criteria in Section 23.5.2, and terms and conditions in Section 23.5.3 have been met. If the Customer both (i) fails to meet the monthly TRC during the Contract period pursuant to Section 23.5.6, and (ii) fails to pay the True-up amount, as defined in Section 23.5.8, or if the Customer fails to comply with the terms and conditions of their underlying term plans, the Customer will be back-billed for termination liability charges that were waived during the Term Period, up to a maximum of two years of such charges, to the extent such termination liability charges would otherwise apply under the relevant underlying term plans. Portability will apply subject to the following terms and conditions: (D)

(1) Each move and/or disconnection must be from any SBC Tariff as described in Section 23.5.1; and

(1)Services moved or disconnected must be in the Price Flex MSAs described in Tariff F.C.C. No. 1, Section 22.

[(1)] See footnote (1) on page 23-108.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.7 Portability (Cont'd)

(A) (Cont'd)

(1) Services must be non-channelized and must include at least one end user termination. The end user must be disconnected.

(2) The Customer must meet the minimum in-service period for each service, as described below:

(a) DS1 – no minimum in-service period;
(b) DS3, [1] and [1] – 1 year minimum in-service period; and (D)
(c) [1] and [1] – 3 year minimum in-service period; (D)

(3) The Customer must continue to meet the terms and conditions of any underlying term plan.

23.5.8 End of Contract Year True-up Process

A true-up calculation will be performed at the end of each Contract Year during the Term Period as follows:

(A) At the end of each Contract Year, the Customer's Gross Spend, as defined in Section 23.5.6 preceding, will be calculated to determine the applicable Basic Credit and Achievement Credits.

For true-up calculation purposes, the Gross Spend for Contract Year 1 will include the Customer's Contributory Service revenue for the full 2005 calendar year. The amount of Contributory Service minimum required revenue at final true-up for Contract Year 1 will be the 2005 TRC, plus 11/12ths of 86.5 percent of the 2004 Gross Spend, rounded to the nearest million. The applicable Basic Credit Amount and Achievement Credit Amount received as a result of this calculation will apply only to the TRC amount included in this Contract Offer, as described in Section 23.5.6 Table 7 preceding.

For Contract Years 2 and 3, the minimum required revenue shall be equal to the TRC.

The Basic Credit Amount shall be equal to the Gross Spend minus the TRC for each year (or, for Contract Year 1, the Gross Spend minus the sum of the TRC plus 11/12ths of 86.5 percent of 2004 Gross Spend), provided, however, that the Basic Credit Amount shall not exceed the amount provided in Section 23.5.6 Table 7 preceding, and will only apply to the TRC amount included in this Contract Offer.

Credits received under this Contract Offer during the Contract Year, as well as any MVP credits earned in 2005, MVP SLA credits earned in 2005, and DVP credits, will be calculated to determine the amount of Basic Credit the Customer has been paid.

[1] See footnote (1) on page 23-108.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.8 End of Contract Year True-up Process (Cont'd)

(B) If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is greater than the minimum required revenue at time of the true-up, the Customer will receive a Basic Credit against Contributory Subject Services equal to the amount above the TRC, not to exceed the amount outlined in Section 23.5.6(B) Table 7 preceding.

Example 1: The Customer's TRC for the first Contract Year is $8.75M. The Customer's Gross Spend for Contributory Services, after all credits and adjustments as described above, is $10M. The Customer will receive an additional Basic Credit equal to $1.25M

If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is below the minimum required revenue at the time of the true-up, the Customer will be billed the amount required to meet the minimum required revenue and will pay such charge pursuant to Section 23.5.8 (D).

Example 2: The Customer's TRC for the first Contract Year is $8.75M. The Customer's Gross Spend for Contributory Services, after all credits and adjustments as described above, is $7M. The Customer must pay $1.75M.

If the Customer's Gross Spend for Contributory Services, after all credits and shortfall payments described above, is greater than the TRC times the maximum Basic Credit (plus 11/12ths of 86.5% of 2004 Gross Spend for Contract Year 1), as described in Section 23.5.6, Table 7, the Customer will receive the Maximum Basic Credit against Contributory Subject Services as described above, and an Achievement Credit against Contributory Subject Services (equal to a 17 percent discount on services above the TRC times the maximum Basic Credit amount, plus 11/12ths of 86.5 percent of 2004 Gross Spend for Contract Year 1).

Example 3: The Customer's TRC for the first Contract Year is $8.75M. The Customer's Gross Spend for Contributory Services after all credits and adjustments as described above, is $28.44M. The Customer receives $18M in Basic Credits and $223K in Achievement Credits.

(C) If, at the time of final true-up, the Telephone Company or any of its affiliated telephone companies described in Section 23.5.2 (C), owe the Customer a Basic Credit amount as described above, the credit will be applied to the Customer's bill no later than 60 days after the final true-up date.

(D) If, at the time of true-up, the Customer must make a true-up payment to meet the TRC as described above, the true-up payment must be submitted to the Telephone Company no later than 60 days after the true-up date. The true-up amount will appear on the Customer's monthly invoice.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.9 Contract Extension Options

At the Customer's option, the Customer may extend this Contract Offer at the end of the Term Period. The Customer may extend for one year at the end of Term Period (First Extension Option), and may also extend the Contract Offer by another year at the end of the first extension year (Second Extension Option). The First Extension Option and Second Extension Option must be exercised concurrently for all contract offers described in Section 23.5.2(C). Those contract offers may not be extended individually. To exercise either option, the Customer must notify the Telephone Company and its affiliated telephone companies as described in Section 23.5.2 (C), in writing, no later than 60 days prior to the expiration of the Term Period or, for the Second Extension Option, 60 days prior to the expiration of the First Extension Option.

For the First Extension Option, the TRC shall be determined as follows:

The TRC amounts for the First Extension Option will be equal to the last 3 months of qualified Contributory Services revenue in Contract Year 3 times 4 times 83 percent, or the Contract Year 3 TRC, whichever is greater. The maximum Basic Credit will be equal to the TRC times 120 percent minus the TRC amount, less any Basic Credit reductions applied during the Term Period of this Contract Offer, as described in Section 23.5.11(A) following. An Achievement Credit of 17 percent will apply on revenue above 120 percent of the TRC, except as described in Section 23.5.11 (A) following.

Example:

(TRC X 120% - TRC) – (any credit reduction as described in Section 23.5.11)

For the Second Extension Option, the TRC shall be determined as follows:

The TRC amount for the Second Extension Option will be equal to the last 3 months of qualified Contributory Services revenue in Contract Year 4 times 4 times 83 percent, or the Contract Year 4 TRC, whichever is greater. The maximum Basic Credit Amount will be equal to the TRC times 120 percent minus the TRC amount, less any Basic Credit reductions applied during the Term Period of this Contract Offer, or under the First Extension Option as described in Section 23.5.11(A) following.. An Achievement Credit of 17 percent will apply on revenue above 120 percent of the TRC, except as described in Section 23.5.11 (A) following.
.
Example:

(TRC X 120% - TRC) – (any credit reduction as described in Section 23.5.11)

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.10 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer No. 5 pursuant to F.C.C. No. 1, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 1, Section 2.1.2, unless:

(A) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (1) or (2) below, or

(B) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50 percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(2) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet.

All of the contract offers described in Section 23.5.2(C) must be assigned or transferred concurrently. Those contract offers may not be assigned or transferred individually. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions

(A) The terms and conditions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company (the foregoing generally referred to herein as a merger or acquisition). Any other company involved in such merger or acquisition shall be identified for purposes of this Contract Offer as an Acquired Company, without regard to whether the Customer or the Acquired Company is the surviving entity following the transaction. The Transaction Close Date shall be the date upon which a stock purchase has been completed and/or the final date on which the assets of the acquired/merged company have been purchased. Upon the Transaction Close Date, if the Acquired Company purchases any services that are Contributory Services under this Contract Offer No. 5 from the Telephone Company and each of its affiliated telephone companies in each of the contract offers described in Section 23.5.2 (C), the Contributory Services purchased by the Acquired Company will not count toward the Gross Revenue achievement or TRC amount, and the Contributory Services provided for in this Contract Offer will continue to be maintained at the same volume, rates, terms, and conditions as outlined herein.

Effective upon the Transaction Close Date:

The Acquired Spend shall be calculated for the Acquired Company, including the Acquired Company's billed revenue for Contributory Services consistent with the manner of calculating Gross Spend, as provided in Section 23.5.6(A) of this Contract Offer, plus the Acquired Company's billed revenue for UNE or equivalent offerings, as described in Section 23.5.4, Table 2.

(1) If the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the Transaction Close Date, times four) is less than or equal to 15 percent of the billed revenue for both Contributory Services and UNE, or equivalent offerings provided to the Customer prior to the Transaction Close Date, this Contract Offer shall remain in force without change, unless Customer includes the Acquired Spend in this Contract Offer, as provided in Section 23.5.11(B) of this Contract Offer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(1) If the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the Transaction Close Date, times four) is greater than 15 percent of the billed revenue for both Contributory Services and UNE, or equivalent offerings provided to the Customer prior to Transaction Close Date, the following provisions shall apply:

(a) The Customer's Calculated Annual Spend shall be the Customer's actual annualized billed revenue for Contributory Services (calculated as the Customer's billed revenue during the three months immediately prior to the Transaction Close Date, times four). The Ceiling shall be the sum of the TRC plus the Maximum Basic Credit. If the Customer's Calculated Annual Spend is less than the Ceiling, the Customer's Maximum Basic Credit shall be reduced by an amount equal to the difference between the Ceiling and the Calculated Annual Spend. The Customer's TRC shall not change. The reduced Maximum Basic Credit shall apply thereafter throughout the Term Period, unless subsequently reduced pursuant to this provision as a result of a subsequent merger or acquisition. Thereafter, the Customer shall not receive Achievement Credits for any revenue above the Calculated Annual Spend, except as described in Section 23.5.11(A)(3) of this Contract Offer.

Example: The Customer's Year 2 TRC is $90M and its Maximum Basic Credit is $18M, for a Ceiling of $108M (TRC plus Maximum Basic Credit).

On the Transaction Close Date, the Customer's Calculated Annual Spend (billed revenue for Contributory Services during the prior three months, times four) is $100M. The Customer's TRC remains $90M, and the Customer's Maximum Basic Credit is reduced to $10M. The Maximum Basic Credit remains at $10M thereafter, unless further reduced as a result of a subsequent merger or acquisition.

No Achievement Credits will apply to any revenue over $100M.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(2) (Cont'd)

(b) If the Customer's Calculated Annual Spend is equal to or greater than the Ceiling, neither the TRC nor the Maximum Basic Credit shall change, except as provided in Section 23.5.11(A)(3) of this Contract Offer. The Customer shall not receive Achievement Credits for any revenue above the Ceiling during the months after the Transaction Close Date, except as provided in Section 23.5.11(A)(3) of this Contract Offer. Any Achievement Credits earned after the maximum Basic Credit amount has been achieved, but prior to the Transaction Close Date, will continue to apply.

Example: The Customer's Year 2 TRC is $90M and the Maximum Basic Credit is $18M for total of $108M.

On the Transaction Close Date, the Calculated Annual Spend (billed revenue for Contributory Services during the prior three months, times four) is $112M. The Customer's TRC remains $90M and the Maximum Basic Credit remains $18M.

Achievement Credits will apply to Contributory Service revenue during any month after the month in which the Customer reaches the Maximum Basic Credit amount, but before the Transaction Close Date. Achievement Credits will not apply after the Transaction Close Date.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(A) (Cont'd)

(3) If the Customer wishes to include Contributory Services provided to the Acquired Company in this Contract Offer, the Customer must so notify the Telephone Company within nine (9) months after the Transaction Close Date. If the Customer chooses to include the Acquired Company's Contributory Services in this Contract, the Acquired Spend (calculated based on the billed revenue of the Acquired Company during the three months immediately prior to the date upon which the Customer provides notification pursuant to this provision, times four) will be added to the Customer's then-current TRC. In addition, the revenues resulting from any conversion of UNE or equivalent offerings to qualified Contributory Subject Services, whether voluntary or required, shall also be added to the Customer's then-current TRC, according to the rates that would apply to those Contributory Services under this Contract Offer. The Maximum Basic Credit shall be determined according to Section 23.5.11(A) of this Contract Offer. Achievement Credits will apply to revenue above the Ceiling, beginning upon the date the Customer provides notification pursuant to this provision. Upon including the other company's Contributory Services in this Contract Offer, any pricing flexibility contract offer, or similar intrastate arrangement governing the included services, shall be deemed terminated and any termination liability or other charges will apply, as provided in the previously effective pricing flexibility contract offer or similar intrastate arrangement. The Customer's Maximum Basic Credit amount will not change as a result of this transfer except as described in Section 23.5.11(A)(2)(a) of this Contract Offer. The Access Service Ratio, as described in Section 23.5.4, will be applicable to all of the Customer's affiliates, regardless of their inclusion in, or exclusion from, this Contract Offer (except as described in Section 23.5.11(B) of this Contract Offer). The increase in the Customer's TRC shall apply thereafter, except to the extent the TRC may be further modified pursuant to this Contact Offer.

Example A: The Customer has a Year 2 TRC of $90M, and the Maximum Basic Credit is $18M. The Customer acquires another company with annualized Contributory Service revenues of $40M, and the Customer chooses to add the Acquired Company's Contributory Services business to this Contract Offer. The Customer's new Contract Year 2 TRC will be $130M ($90M plus $40M = $130M). The Customer's Maximum Basic Credit ($18M) will not change, except as described in Section 23.5.11(A)(2)(a) of this Contract Offer. The new TRC will apply thereafter, unless the TRC is subsequently changed pursuant to this Contract Offer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio

If any merger or acquisition affects the Customer's Access Service Ratio, the Customer and any affiliated entities that existed as of the Transaction Close Date (as determined by the applicable ACNA's) shall comply with the Access Service Ratio requirements of this Contract Offer, as described in Section 23.5.4 of this Contract Offer, subject to the provisions of this Section 23.5.11(B).

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases:

(1) All stock, or substantially all stock or certain assets of another company, and the merger or acquisition will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.5.4, regardless of whether the Customer chooses to include the Acquired Company's Contributory Services in this Contract Offer, the following will apply.

(a) A Temporary Access Service Ratio will be calculated in a manner consistent with the calculation of the Access Service Ratio as described in Section 23.5.4 of this Contract Offer, for the Acquired Company, for the month immediately following the Transaction Close Date, according to the following formula.

$$\frac{\text{Acquired Company Access Revenue}}{\text{Acquired Company Access Revenue + Acquired Company Wholesale Revenue}}$$

Example:

$$\frac{\text{\$35M Access}}{\text{\$35M Access + \$34M Wholesale}}$$

The Temporary Access Services Ratio would be:

50.7%/49.3%

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(1) (Cont'd)

(b) The Temporary Access Service Ratio will apply to the Acquired Company's Contributory Services until the earlier of nine (9) months after the Transaction Close Date, or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company's Contributory Services to this Contract Offer, whichever is earlier. While the Temporary Access Service Ratio remains in effect, the Contributory Services of the Acquired Company must at all times meet or exceed the Temporary Access Service Ratio.

Thereafter, a Combined Access Service Ratio shall be calculated according to the following formula:

$$\frac{\text{Combined Access Revenue}}{\text{Combined Access Revenue} + (\text{Combined Wholesale} - \text{Acquired Wholesale Revenue})}$$

The Acquired Wholesale Revenue in the combined equation shall be measured at the earlier of nine (9) months after the Transaction Close Date or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company's Contributory Services to this Contract Offer, whichever is earlier.

Example:

$$\frac{\$140M}{\$140M + (\$37M - \$35M)}$$

The combined Access Service Ratio of 98.6%/1.4% exceeds the 95%/5% ratio required.

(c) Once the Combined Access Service Ratio has been calculated, the combined Company (the Customer and Acquired Company, considered together) must meet or exceed a Combined Access Service Ratio of 95 percent for all services (Contributory and UNE or other equivalent offerings) purchased thereafter. Any wholesale services purchased by the Acquired Company prior to the earlier of the date nine months after the Transaction Close Date, or the date upon which the Customer notifies the Telephone Company of its election to add the Acquired Company's Contributory Services to this Contract Offer, will be deducted from the Combined Wholesale Revenue for purposes of calculating the Combined Access Service Ratio.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.11 Mergers and Acquisitions (Cont'd)

(B) Mergers and Acquisitions Affecting Access Service Ratio (Cont'd)

(1) (Cont'd)

(d) Services included in the calculation of the Temporary Access Service Ratio or the Combined Access Service Ratio shall be the same as those described in Section 23.5.4 of this Contract Offer.

(e) If the Customer and/or the Acquired Company fails to meet or exceed the Temporary Access Service Ratio or the Combined Access Service Ratio, the remedies provided in Section 23.5.4 of this Contract Offer shall apply.

(f) The provisions of this Section 23.5.11 shall apply to each merger or acquisition during the Term Period.

(2) If the Customer chooses to include the Acquired Company's Contributory Services in this Contract Offer, Contributory Services previously provided to the Acquired Company shall be included in this Contract Offer immediately upon the Telephone Company's receipt of the Customer's notice of intent to include them, and the TRC will be increased by the amount of the Acquired Company's qualified revenues. In addition, the monthly TRC will be increased to reflect the conversion of any unbundled network elements and equivalent offerings to Contributory Subject Services subject to this Contract Offer. Any converted services will be billed as Contributory Subject Services subject to this Contract Offer, and will be included in the TRC, effective upon the date on which receives the Customer's request to convert. The Customer's Maximum Basic Credit will not change as a result of the inclusion of the Acquired Company's Contributory Services in this Contract Offer, except as described in 23.5.11(A) preceding. The recalculated monthly TRC will apply for the remainder of that Contract Year. In each subsequent Contract Year, the TRC will continue to include the revenues associated with the Acquired Company's Contributory Services. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.12 Cessation of Business

If, at any time during the Term Period, the Telephone Company, or any of its affiliated telephone companies, cease to provide telecommunications services in any MSA subject to this Contract Offer, or any of the other Contract Offers as described in Section 23.5.2 (C), sells or divests its operating assets in any MSA subject to this Contract Offer, or otherwise ceases to provide any of the Contributory Services subject to this Contract Offer, the TRC will be decreased by the amount of the qualified revenue associated with the Contributory Services no longer provided by the Telephone Company or its affiliated telephone companies.

23.5.13 Termination Liability Charges

Termination liability language described below applies in lieu of the termination liability language in F.C.C. No. 1, Section 7 and [1]. If the Customer terminates Contract (D)
Offer No. 5 before the expiration of the Term Period for any reason, except for that defined in 23.5.13 (B) below, the Customer must pay the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification to the Telephone Company 90 days prior to the desired date of termination. This notification must include the date upon which the Customer will terminate the Contract Offer.

(A) If the Customer fails to meet any of the eligibility criteria in Section 23.5.2, or fails to meet any of the terms and conditions in Contract Offer No. 5, then the Telephone Company shall provide the Customer with written notification of such non-compliance, and the Customer will have sixty (60) days to return to compliance. If the Customer does not return to compliance within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 5, and termination liability charges will apply as stated in 23.5.13 (C), and will be payable within sixty (60) days from the time the contract is deemed terminated.

[1] See footnote (1) on page 23-108.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.13 Termination Liability Charges (Cont'd)

(B) If the Telephone Company and its affiliated telephone companies providing service pursuant to the contract offers described in Section 23.5.2(C) fail, in the aggregate, to maintain a Network Availability cumulative annual target of 90 percent for all Contributory services for twelve consecutive months, the Customer will have the option to notify the Telephone Company of the Customer's intent to terminate this Contract Offer. The Customer must provide the Telephone Company with ninety (90) days notice of the Customer's intent to invoke this escape clause and return its services to standard special access services. The Telephone Company will have sixty (60) days, from the date that Customer notice is received, to rectify the service problems or the Customer will be allowed to terminate this offering without incurring any termination liability on the services moved to standard Special Access services. If the Telephone Company and its affiliated telephone companies meet the Network Availability targets within sixty (60) days, the Customer will continue to purchase services under this Contract Offer.

The following occurrences will not be included in the measurements described in the calculation of Network Availability:

(1) In the case of labor disputes, governmental orders, civil commotions, or criminal actions taken against the Telephone Company or its affiliated telephone companies, the Telephone Company and its affiliated telephone companies will be excused for the duration of these events.

(2) In the case of actions outside of the Telephone Company or its affiliated telephone companies' reasonable control (e.g., catastrophic weather conditions) that have a severe impact on the Telephone Company or its affiliated telephone companies' ability to provision and repair service, the Telephone Company and its affiliated telephone companies will be excused, for the duration of the situation, from the performance measures set forth herein. Any such temporary exemption will apply only to the dispatch area(s) directly affected by the situation, and the Telephone Company and its affiliated telephone companies will return to the levels of performance required hereunder as promptly as is reasonably practicable. To the extent additional dispatch areas are impacted by such a situation, the Telephone Company and its affiliated telephone companies will give prompt notice to the Customer of the scope and nature of such impact so the parties can determine whether additional temporary exemptions from the applicable performance measures are appropriate.

(3) Performance shall be excused for the duration of any interruptions caused by the negligence of the Customer, the Customer's end-user, or other third parties not affiliated with the Telephone Company or its affiliated telephone companies.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.13 Termination Liability Charges (Cont'd)

(B) (Cont'd)

(4) Performance shall be excused for the duration of any interruptions of a service due to the failure of equipment or systems provided by the Customer or parties other than the Telephone Company or its affiliated telephone companies.

(5) Performance shall be excused for the duration of any interruptions of a service during any period in which the Telephone Company or its affiliated telephone companies are not afforded access to the premises where the service is terminated.

(6) Performance shall be excused for the duration of any interruptions of a service when the Customer has released that service to the Telephone Company or any of its affiliated telephone companies for maintenance purposes, to make rearrangements, or for the implementation of an order for a change in the service during the time that was negotiated with the Customer prior to the release of that service.

(7) Performance shall be excused for the duration of any interruptions of a service which continue because of the failure of the Customer to authorize replacement of any element of special construction, as set forth in Section 5 and Section 13 of F.C.C. No. 1.

(8) Performance shall be excused for the duration of any interruptions that occur on facilities that the Customer elected not to release the service to the Telephone Company or its affiliated telephone companies for testing and/or repair.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.5 Contract Offering No. 5 – Access Discount Offer (Cont'd)

23.5.13 Termination Liability Charges (Cont'd)

(C) If the Customer terminates its subscription to this Contract Offer prior to the end of the Term Period, for any reason other than described in 23.5.13 (B), the Customer must pay termination liability charges as described below:

Termination of Contract during:

Contract Year 1 – Any credits received under this Contract Offer plus 25% of TRC for remaining months of Term Period

Contract Year 2 – Last 6 months of credit received under this Contract Offer plus 25% of TRC for remaining months of Term Period.

Contract Year 3 – Last 6 months of credit received under this Contract Offer plus 10% of total TRC for Contract Year 3.

Example:

The Customer's 2006 TRC is $90M. The Customer terminates the contract on April 31, 2006. The Customer has 20 months remaining on the Term Period and has received $6M in credits under this Contract Offer in the 6 months prior to termination. The customer will owe $43.4M in termination liability

$26.25M x 4 = $105M
$105M times 89.7% = $94M
$94M/12 = $7.8M x 8 = $62M x 25% = $15.5M for remainder of Contract Year 2

plus

$105M times 83.4% = $87.5M
$87.5M x 25% = $21.9M for Contract Year 3

Contract Year 2 + Contract Year 3 + Last 6 months of credits

$15.5M + $21.9M + $6M = $43.4M Termination Liability (N)

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 6 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. [1] (D)

[1] See footnote (1) on page 23-136.

23. [1] (D)

[1] See footnote (1) on page 23-136.

23. [1] (D)

[1] See footnote (1) on page 23-136.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-136.

23. [1] (D)

[1] See footnote (1) on page 23-136.

ACCESS SERVICE

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 7 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-142.

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Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

23. [1] (D)

[1] See footnote (1) on page 23-142.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-142.

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23. [1] (D)

[1] See footnote (1) on page 23-142.

23. [1] (D)

[1] See footnote (1) on page 23-142.

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 8 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-148.

23. [1] (D)

[1] See footnote (1) on page 23-148.

23. [1] (D)

[1] See footnote (1) on page 23-148.

(This page filed under Transmittal No. 176)

23. [1] (D)

[1] See footnote (1) on page 23-148.

23. [1] (D)

[1] See footnote (1) on page 23-148.

23. [1] (D)

[1] See footnote (1) on page 23-148.

23. Pricing Flexibility Contract Offerings (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

23.9.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 9) is an access discount plan for which subscription is required to the following access tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39 and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1. Contract Offer No. 9 provides Customers with discounts and incentives (as defined in Section 23.9.6) in accordance with the Terms and Conditions as set forth in Section 23.9.4.

(N)
(Nx)
(Nx)
(N)

To receive discounts under this Contract Offer, the Customer must meet Eligibility Criteria described in Section 23.9.3 and must comply with all Terms and Conditions of this Contract Offer. Contract Offer No. 9 requires eligible Customers to maintain a Baseline Minimum Annual Revenue Commitment (MARC) of $141,600,000, as described in Section 23.9.3(B), following. If during the Annual True-up the Customer's billed recurring revenue for Qualified Access Services is less than the Baseline MARC, the Customer must remit the Make-up Payment as described in the Annual True-up process set forth in Section 23.9.7. If the Customer does not comply in all material respects with all Terms and Conditions of this Contract Offer No. 9, termination liability charges, in accordance with Section 23.9.10, will apply.

Contract Offer No. 9 will be available for subscription only from July 29, 2006 through August 29, 2006.

(N)

(x)Issued under Authority of Special Permission No. 06-028 of F.C.C.

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 9 applies to billed recurring revenues for the qualified access services contained in NBTC Tariff F.C.C. No. 1 (Qualified Access Services), listed in Table A, below:

Table A

Service	**General Basic Description**	**Rates and Charges**		
DS1 and DS3 Service	7.11.1	7.11.5	22.5.2.5	
Broadband Circuit Service	20.1	20.3	22.5.2.9	
[1]	[1]	[1]	[1]	(D)
[1]	[1]	[1]	[1]	(D)
[1]	[1]	[1]	[1]	(D)
[1]	[1]	[1]	[1]	(D)
[1]	[1]	[1]	[1]	(D)

(B) When additional Qualified Access Services are added to the services available under NBTC Tariff F.C.C. No. 1, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 9 for the purposes of calculating the credits and incentives included in this Contract Offer No. 9.

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 9.

[1] Material previously contained in this section has been deleted. OCN PTP, DSRS, GigaMAN and MON services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 9 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.3 WAMS-VIP Offer Eligibility Criteria

The following eligibility criteria must be met to subscribe to Contract Offer No. 9:

(A) Concurrent Subscription

The Customer must concurrently subscribe to Contract Offer No. 9 pursuant to the following tariffs: (N)

(1) SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 94; (Nx)
(2) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 99;
(3) SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 28; and
(4) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 121. (Nx)

Breach, cancellation or termination of any of these Contract Offers shall constitute a breach, cancellation or termination of all of these Contract Offers. (N)

(B) The Customer must have billed recurring revenues for Qualified Access Services to establish a Baseline Minimum Annual Revenue Commitment (Baseline MARC) of $141,600,000;

(C) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory); and

(D) All Qualified Access Service(s) must originate or terminate on a wireless carrier's network.

(N)

(x)Issued under Authority of Special Permission No. 06-028 of F.C.C.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.4 WAMS-VIP Offer Terms and Conditions

(A) Revenue commitments are based on billed, recurring charges for the Qualified Access Services and specifically exclude any non-recurring charges, incentives and discounts earned under this Contract Offer No. 9;

(B) The Customer must maintain a Baseline Minimum Annual Revenue Commitment (MARC) of $141,600,000 each Term Year of this Contract Offer No. 9;

(C) The Customer must maintain the Incentive Discount Commitment (IDC), as defined in Section 23.9.6.(A)(1) for Term Years 2 to 5 for Qualified Access Services;

(D) The Customer's Baseline MARC and IDC will include all billed recurring revenue for Qualified Access Services identified in Section 23.9.2, and shall be based on the sum of all of the billed recurring revenues for the Qualified Access Services, including all of the contract offers as described in Section 23.9.3(A);

(E) Incentives and discounts earned by the Customer under this Contract Offer No. 9 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the Metropolitan Statistical Areas (MSAs) where the Telephone Company has been granted pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22;

(F) Contract Offer No. 9 incentives and discounts are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs;

(G) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 9, but in the event of such rate modifications, no change will be made to the Baseline MARC or the IDC, except as specified in Section 23.9.7;

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.4 WAMS-VIP Offer Terms and Conditions (Cont'd)

(H) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched and Special Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Services) and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 9;

(I) This Contract Offer No. 9 is available July 29, 2006 through August 29, 2006;

(J) The Customer must meet the criteria described for Incentive Discounts and Portability Incentives, as provided in Section 23.9.6; and

(K) To subscribe to Contract Offer No. 9, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company.

23.9.5 WAMS-VIP Offer Term Period

The contract term (Term Period) is sixty (60) months commencing on the date the LOS is signed by the Customer . Each twelve month (12) period beginning with the LOS signature date shall be a Term Year. At the end of the Term Period, the discounts and incentives provided in this Contract Offer No. 9 shall be discontinued.

This offer is not renewable.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentives

The Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under this Contract Offer No. 9 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC);
Incentive Discount Plus Credit (IDPC); and
Portability Incentive for DS3s (Portability Incentive).

(A) Incentive Discount Commitment
In order to qualify for the IDCC, IDPC and Portability Incentives, the Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year 1, the Customer's IDC will equal the Baseline MARC of $141,600,000, as described in Section 23.9.3(B);

(b) For Term Years 2 through 5, the Customer's IDC will be:

(i) The IDC from the previous Term Year; or

(ii) The IDC may be increased, at the Customer's election, effective with the beginning of the contract Term Year according to the IDC Levels in Table B, based on either the Achieved Revenue Amount, as defined in Section 23.9.7(A) or the Customer's billed recurring revenue for Qualified Access Services during the previous three (3) months times four (4).

(c) The Customer may elect, by providing written notice to the Telephone Company within sixty (60) days of the contract's Term Year end date, to increase the IDC:

(i) The IDC may be increased but never decreased;
(ii) The re-established IDC represents the Customer's IDC for the remainder of the Term Period; and
(iii) The IDC elected by the Customer cannot exceed the higher of the Achieved Revenue amount or the previous three (3) months billed recurring revenue for Qualified Access Services times four (4).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment
If during the Annual True-Up, as defined in Section 23.9.7(A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC, IDPC and Portability Incentives during the following Term Year, provided the criteria in Section 23.9.6(B),(C) and (D), respectively, are met.

Example: In Term Year 1, the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $147,000,000 and the IDC is $141,600,000. Since the Achieved Revenue Amount exceeds the IDC, the Telephone Company would apply the IDCC, IDPC and Portability Incentives in Term Year 2, based on the Customer's IDC for Term Year 2 of $141,600,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring Qualified Access Services in accordance with NBTC Tariff F.C.C. No. 1, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

IDCC shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 23.9.3(A). If qualified for a IDCC, an award of the IDCC under this Contract Offer will satisfy any IDCC obligations of the concurrently subscribed to contract offers as described in Section 23. 9.3(A), and an award of IDCC under such other contract offers shall satisfy any IDCC obligations under this Contract Offer No. 9.

The Customer will notify the Telephone Company in writing of the Billing Account Number(s) (BAN) and percentage of the IDCC awarded to be applied to each BAN(s) billing Qualified Access Services for the contract offers subscribed to in Section 23.9.3(A).

For each Term Year, the Customer will be eligible for an Incentive Discount Commitment Credit (IDCC) based on the sum of all billed recurring revenue for Qualified Access Services, including all of the contract offers as described in Section 23.9.3(A), according to Table B, following.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

Table B:

IDC Level	IDC	IDCC
1	$141,600,000	$12,700,000
2	$179,900,000	$19,800,000
3	$194,200,000	$25,300,000
4	$209,800,000	$31,500,000
5	$226,600,000	$36,300,000

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 23.9.6(A)(2),as follows:

(i) One-quarter (1/4) of the IDCC will be applied thirty (30) days in arrears from the end of the 1st and 3rd Quarters of the Term Year based on the IDCC determined under Sections 23.9.6(B)(1)(b)and 23.9.6(B)(1)(c), below;

(ii) One-quarter (1/4) of the IDCC will be applied by the end of the 2nd Quarter, based on the IDCC determined under Sections 23.9.6(B)(1)(b)and 23.9.6(B)(1)(c), below; and

(iii) One-quarter(1/4)of the IDCC will be applied sixty (60) days in arrears from the end of the 4th Quarter of the Term Year, through the Annual True-Up described in Section 23.9.7.

(b) The IDCC applied during the first three (3) quarters of Term Year 1 will be based on IDC Level 1.

(c) The IDCC applied during the first three (3) quarters of Term Years 2 through 5 will be based on the IDC Level established in Section 23.9.6(A).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service

IDPC shall be calculated and awarded on an aggregate basis across the concurrently subscribed to contract offers as described in Section 23.9.3(A). If qualified for a IDPC, an award of the IDPC under this Contract Offer will satisfy any IDPC obligations of the concurrently subscribed to contract offers as described in Section 23.9.3(A), and an award of IDPC under such other contract offers shall satisfy any IDPC obligations under this Contract Offer No. 9.

The Customer will notify the Telephone Company in writing of the Billing Account Number(s) (BAN) and percentage of the IDPC awarded to be applied to each BAN(s) billing Qualified Access Services for the contract offers subscribed to in Section 23.9.3(A).

For each Term Year, the Customer will be eligible for an IDPC which applies to non-IDC revenues. Non-IDC revenues are the sum of all recurring revenues associated with the Qualified Access Services, including billed recurring revenues of all of the contract offers as described in Section 23.9.3(A) that exceed the Customer's IDC (which are listed as Levels in Table B) according to the ranges set forth in Table C.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service (Cont'd)

Table C:

IDC Level	Band	Non - IDCC Rev Min	Non - IDCC Rev Max	IDPC
1	1	$ 31,600,000	$ 38,299,999	$1,400,000
	2	$ 38,300,000	$ 52,699,999	$3,100,000
	3	$ 52,700,000	$ 68,199,999	$5,700,000
	4	$ 68,200,000	$ 84,999,999	$8,800,000
	5	$ 85,000,000	$ 103,099,999	$12,400,000
	6	$ 103,100,000	$ 122,699,999	$16,700,000
	7	$ 122,700,000	and above	$21,700,000
2	1	$ 7,200,000	$ 14,399,999	$1,700,000
	2	$ 14,400,000	$ 29,899,999	$3,800,000
	3	$ 29,900,000	$ 46,699,999	$6,900,000
	4	$ 46,700,000	$ 64,799,999	$10,600,000
	5	$ 64,800,000	$ 84,399,999	$14,900,000
	6	$ 84,400,000	$ 105,599,999	$20,000,000
	7	$ 105,600,000	and above	$25,700,000
3	1	$ 7,800,000	$ 15,499,999	$2,100,000
	2	$ 15,500,000	$ 32,299,999	$4,600,000
	3	$ 32,300,000	$ 50,499,999	$8,300,000
	4	$ 50,500,000	$ 69,999,999	$12,700,000
	5	$ 70,000,000	$ 91,199,999	$17,700,000
	6	$ 91,200,000	$ 113,999,999	$23,600,000
	7	$ 114,000,000	and above	$30,300,000
4	1	$ 8,400,000	$ 16,799,999	$2,500,000
	2	$ 16,800,000	$ 34,899,999	$5,400,000
	3	$ 34,900,000	$ 54,499,999	$9,800,000
	4	$ 54,500,000	$ 75,599,999	$15,000,000
	5	$ 75,600,000	$ 98,499,999	$20,900,000
	6	$ 98,500,000	$ 123,099,999	$27,700,000
	7	$ 123,100,000	and above	$35,500,000
5	1	$ 9,100,000	$ 18,099,999	$3,000,000
	2	$ 18,100,000	$ 37,699,999	$6,400,000
	3	$ 37,700,000	$ 58,799,999	$11,600,000
	4	$ 58,800,000	$ 81,699,999	$17,600,000
	5	$ 81,700,000	$ 106,299,999	$24,400,000
	6	$ 106,300,000	$ 132,999,999	$32,300,000
	7	$ 133,000,000	and above	$41,300,000

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount Plus Credit for Qualified Access Service (Cont'd)

(1) Application of Incentive Discount Plus Credit

(a) The Telephone Company will apply the IDPC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDPC as provided in Section 23.9.6(C); and

(b) The IDPC corresponding to the IDC Level and IDPC Band will be credited to the Customer's bill sixty (60) days in arrears from the end of the 4th Quarter of the Term Year, through the Annual True-up described in Section 23.9.7.

(D) DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS3 Qualified Access Services.

This Portability Incentive will be applied in addition to the Incentives described in Sections 23.9.6(B) and(C).

(1) Eligibility Criteria for DS3 Portability Incentive

The Customer must meet the following criteria to receive the Portability Incentive:

(a) the Customer's DS3s must meet the Minimum Period requirements, as established under NBTC Tariff F.C.C. No. 1, Section 2.4.2, at the previous location;
(b) The Term Period of each new circuit must be equal to, or greater than, the remaining term of the disconnected circuit; and
(c) The disconnect and new service must be within the Operating Territory. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive (Cont'd)

(2) Quarterly Review of Add and Disconnect Access Service Orders

The Telephone Company will perform quarterly reviews of the quantity of the DS3 "adds" and "disconnects" within the Telephone Company Operating Territory, as described in Section 23.9.3(C), as follows:

(a) If the Customer qualifies for the Portability Incentive as set forth in Sections 23.9.6(A) and 23.9.6(D)(1), and the cumulative "add" access service orders exceed cumulative "disconnect" access service orders during the Term Year, as measured on a quarterly basis, the cumulative adds and the cumulative disconnects will carry over quarter to quarter within a Term Year until the number of cumulative disconnects exceeds the cumulative adds;

(b) If the Customer qualifies for the Portability Incentive as set forth in Sections 23.9.6(A) and 23.9.6(D)(1), but cumulative "disconnect" access service orders exceed cumulative "add" access service orders during the Term Year, as measured on a quarterly basis, the Customer will be assessed termination liability charges on the number of circuits by which cumulative disconnect orders, where termination liability charges are applicable, exceed cumulative add orders; or

(c) During the Term Year, if the Customer is assessed termination liability charges as a result of cumulative "disconnects" access service orders exceeding cumulative "add" access service orders in any quarter, as described in 23.9.6(D)(2)(b), above, no cumulative "disconnect" access service orders or cumulative "add" access service orders will carry over to the next quarter within that Term Year.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.6 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive (Cont'd)

(2) Quarterly Review of Add and Disconnect Access Service Orders (Cont'd)

Example:
During a given Term Year:

If at the end of the 1st Quarter:
DS3 "adds" = 10
DS3 "disconnects" = 3
Quarter Termination Liability = 0 DS3's
(DS3 "adds" are greater than DS3 "disconnects")

If at the end of the 2nd Quarter:
Cumulative DS3 "adds" = 11 (1st Qtr 10 plus 2nd Qtr 1)
Cumulative DS3 "disconnects"= 12 (1st Qtr 3 plus 2nd Qtr 9)
Quarter Termination Liability = 1 DS3
(Cumulative DS3 "disconnects" are greater than Cumulative DS3 "adds")

Termination Liability assessed based on the last disconnect order provisioned during the 2nd Quarter. The 1st and 2nd Quarter cumulative DS3 "adds" and cumulative DS3 "disconnects" will not accumulate into the 3rd Quarter.

If at the end of the 3rd Quarter:

DS3 "adds" = 2
DS3 "disconnects" = 1
Quarter Termination Liability = 0 DS3's
(DS3 "adds" are greater than DS3 "disconnects")

If at the end of the 4th Quarter:

Cumulative DS3 "adds" = 5 (3rd Qtr 2 plus 4th Qtr 3)
Cumulative DS3 "disconnects" = 3 (3rd Qtr 1 plus 4th Qtr 2)
Quarter Termination Liability = 0 DS3's
(Cumulative DS3 "adds" are greater than Cumulative DS3 "disconnects") (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.7 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish any 4th Quarter Incentive credits, adjustments or other payments that apply for the preceding twelve-month (12) period, as determined by whether:

(1) The Customer maintained its IDC during that Term Year;
(2) The Customer earned the IDCC received during the 1st, 2nd and 3rd Quarters of the Term Year ("Applied IDCC"); and
(3) The Customer qualifies to receive an IDPC.

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount." The IDCC and/or IDPC earned using the Achieved Revenue Amount compared to Table B in Section 23.9.6(B) and Table C in Section 23.9.6(C) will constitute the "Earned IDCC" and "Earned IDPC."

(B) Annual True-Up Calculations

(1) IDC Impact - Divested Market(s):

If the Telephone Company divests or sells any market(s) and if the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced, as a result of the divestiture and/or sale of those market(s), the Telephone Company will recalculate the IDC and IDCC, if requested by the Customer in writing within ninety (90) days of the divestiture and/or sale, according to the following steps below:

Step 1.
Determine the impact on total revenue by calculating the "IDC Impact-Divested Market(s)Percentage." The IDC Impact-Divested Market(s) Percentage is the percent change between the IDC and the Customer's billed recurring revenues for Qualified Access Services that the Telephone Company was required to divest.

Example:
IDC = $141,600,000
Revenue divestiture by the Telephone Company =$10,000,000

IDC minus divestiture amount = $131,600,000

IDC Impact – Divested Market(s) Percentage = 7.07%
(1-($132,000,000/$141,600,000))

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) IDC Impact - Divested Market(s): (Cont'd)

Step 2:
The current Term Year's IDC will be adjusted by subtracting the dollar amount of the billed recurring revenues for Qualified Access Services that were divested by the Telephone Company. The IDCC for the current Term Year will be adjusted by the IDC Impact-Divested Markets Percentage and prorated from the time of divestiture.

Step 3:
The Telephone Company will recalculate the IDC(s) which remains available to the Customer (Table B) by subtracting the annualized dollar amount of the billed recurring revenues for Qualified Access Service that was divested by the Telephone Company.

Step 4:
The Telephone Company will recalculate the IDCC(s) which remains available to the Customer (Table B) by the ratio of the reduced IDC to the original IDC for each level.

Example:
Reduced IDC = $131,600,000
($141,600,000 – $10,000,000)

Reduced IDCC = $11,802,110
($12,700,000 – ($12,700,000 x 7.07%) (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(2) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the appropriate 4th Quarter IDCC credit. The Customer will receive its 4th Quarter payment, as set forth in Section 23.9.6(B)(1)(a)(iii).

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment"). If the Customer has identified an "IDC Negative Impact," as defined in Subsection (c), following, that amount will be subtracted from the Make-up Payment.

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(i) The Customer will pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The Telephone Company will apply the appropriate IDCC for the 4th Quarter of the Term Year within thirty (30) days of receiving the Make-Up Payment. The following Term Year's IDCC will be determined as set forth in Section 23.9.6(B). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(2) IDCC Annual True-Up: (Cont'd)

(c) The Telephone Company will adjust the Make-up Payment at the Annual True-up, by the amount identified as a "Negative IDC Impact" revenue amount, if the IDC is missed due to the following "Negative IDC Impact" causes:

(i) If the tariff rates for the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced by a percentage that causes the Customer's billed recurring revenues for such Qualified Access Services to fall below the IDC; and/or

(ii) If the Customer terminates Qualified Access Service(s) as a result of one or more Excessive Service Outages, as defined in Section 23.9.10(B), and the billed recurring revenues for the Qualified Access Services that are used for the purposes of calculating the IDC are reduced, as a result of the Excessive Service Outage termination, by a percentage that causes the Customer's billed recurring revenues for such Qualified Access Services to fall below the IDC.

(d) If the Customer chooses not to make the Make-Up Payment, in Section 23.9.7(B)(2)(b)(ii), this Contract Offer shall be terminated and termination liability charges will apply, as described in Section 23.9.10(A).

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year 3 is $143,000,000 and the IDC is $141,600,000, then the IDCC would be $12,700,000. The IDCC applied for the 4th Quarter would be equal to $12,700,000 (which is $3,175,000 X 4) less the Applied IDCC received by the Customer for the Term Year.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.7 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(3) IDPC Annual True-Up:
The Telephone Company will determine whether the Customer's Achieved Revenue Amount exceeds the IDC.

(a) If the Achieved Revenue Amount exceeds the IDC, the revenue above the IDC will be used to determine the IDPC Band in Table C based on the IDC Level. The IDPC corresponding to the IDC Level and IDPC Band will be credited as per Section 23.9.6.(C), or

(b) If the Achieved Revenue Amount does not exceed the IDC or if revenue above the IDC, does not fall within an IDPC Band, as described in (a), above, no IDPC credit will be applied for the Term Year.

Example of IDPC Annual True-Up:

If the Achieved Revenue Amount for Term Year 1 is \$175,000,000 and the IDC is \$141,600,000 (IDC Level 1), the revenue above the IDC would equal \$33,400,000 (\$175,000,000 -\$141,600,000). The IDPC applied in the 4th Quarter would be \$1,400,000 per IDPC Band 1. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.8 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under this Contract Offer 9 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2(A) are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c), below, or if the assignee or transferee or its parent has commenced, or had initiated against it, a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the securities and exchange commission; or

(b) If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade, and have been placed on review by a rating organization for a possible downgrade; or

(c) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g., Standard and Poor's) but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(i) Fair or below in a composite credit appraisal published by Dun and Bradstreet, or

(ii) High risk in a Paydex score as published by Dun and Bradstreet. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The Terms and Conditions of Contract Offer No. 9 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in Subsection Options (i) and (ii), following, within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer shall send written notice to the Telephone Company, within the time period described above, stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date." None of the Options shall alter in any way the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including, but not limited to, any terms or conditions related to termination.

Option (i): The Customer and the Telephone Company shall recalculate the IDC, IDCC and IDPCs (collectively "Key Numbers") for the period from the Option Exercise Date to the end of the Term Period to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met:

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(1) One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of the Customer and the other entity must be included in the Contract Offer Subscription;

(2) The IDC will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date, multiplied by four (4), plus the actual IDC at the time of merger. This shall be the "Combined IDC," and

(3) The IDC and IDCC amounts will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC and IDCC, will be applied to the values of the IDC and IDCC associated with the IDC and IDCC Levels that are still available to the Customer, as defined in Section 23.9.6.

Example:
IDC = $141,600,000
Current IDC Level = 1
IDCC = $12,700,000

New Entity Revenue = $33,400,000
Combined IDC = $175,000,000
($141,600,000 plus $33,400,000)

Option 1 Multiplier = 1.24
($175,000,000/$141,600,000)
Combined IDCC = $15,748,000
($12,700,000 multiplied by 1.24)

(4) The IDPC Bands, IDPC ranges and IDPC amounts will be adjusted using the Option 1 Multiplier.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.8 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(5) The Customer must have at least thirty-six (36) months remaining in the Term Period under the Contract Offer Subscription, or if less than thirty-six (36) months are remaining in the Term Period under this Contract Offer Subscription, the Term Period shall be automatically extended so that the Terms and Conditions of the Contract Offer No. 9 remain in effect for thirty-six (36) months after the Option Exercise Date; and

(6) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date, with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, combined Key Numbers will be used to determine applicable IDCC and IDPC credit amounts.

(a) If the Option Exercise Date falls within the 1st, 2nd or 3rd Quarters of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined, or thirty (30) days in arrears of the end of the Quarter, whichever is later; or

(b) If the Option Exercise Date falls within the 4th Quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC and/or Combined IDPC will occur thirty (30) days after the Key Number are determined, or sixty (60) days in arrears of the end of the Quarter, whichever is later.

Option (ii):
The Contract Offer Subscription shall be terminated as set forth within Section 23.9.10(A).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.9 WAMS-VIP Performance – Credits

(A) Cell Site Performance

Cell site Performance Improvement Credits may be available to the Customer based on the quality of service delivered during the Term Period, as set forth in Subparagraph (2), following. The credits will be granted in the event that the Telephone Company's Contract Offer No. 9 service performance level objectives for cell site DS1 Qualified Access Services are not met.

For Term Year 1, the Telephone Company will apply a maximum of $600,000 in special construction credits to improve performance at mutually agreed cell sites that are performing below the DS1 Percentage of 99.9650% Network Availability. The special construction credits will not exceed $600,000 for the sum of all mutually agreed cell sites in all of the Contract Offers, as described in Section 23.9.3(A). This special construction credit will be available until Term Year 1 Annual True-Up.

(1) The DS1 Qualified Access Services cell site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell site DS1 circuits are in service during the Term Year compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours) plus (28 days, times 110 circuits, times 24 hours), or 148,320. This would be the denominator of the network availability equation.

The numerator would be the total hours of outage based on measured trouble found tickets reported to the Telephone Company, subtracted from the 148,320. If there were eight (8) reported failures totaling twenty-eight (28) hours of outage time, the resulting availability for those two (2) months will be equal to ((148,320-28)/148,320), or 99.981 percent.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.9 WAMS-VIP Performance – Credits (Cont'd)

(A) Cell Site Performance (Cont'd)

(2) Table D, below, provides cell site service performance targets, based on DS1 Percentage of Network Availability, for each Term Year.

Table D

Term Year	% Network Availability
1	99.9650%
2	99.9700%
3	99.9750%
4	99.9850%
5	99.9900%

(3) At the Annual True-Up, if the Telephone Company's annual results fail to meet the performance target for the Term Year, as specified in Table D, above, and the Customer has met the IDC, the Telephone Company will provide credits for products and services as follows:

(i) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble found ticket reported to the Telephone Company during the Term Year for cell site improvements. The special construction credits will be used to improve performance at mutually agreed cell sites that are performing below the DS1 Percentage of Network Availability as specified in Table D, above; and

(ii) The special construction credits will be available for nine (9) months following the Annual True-Up in any Term Year in which the Telephone Company failed to meet the performance target.

Example: Special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell sites. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.10 Termination

The Customer's subscription to this Contract Offer No. 9 shall terminate if the Customer elects to terminate this Contract Offer No. 9, or if the Customer materially breaches this Contract Offer, or any tariff governing any Qualifying Service provided pursuant to this Contract Offer No. 9, except as expressly provided to the contrary herein.

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, the Customer must provide written notification to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

(A) Termination Liability

Termination charges will be calculated as the percentage of all discounts given up to the time of termination as listed in Table E, below.

Table E:

Months	**Termination Liability %**
1 to 12	120%
13 to 24	75%
25 to 36	50%
37 to 48	25%
49 to 60	10%

Example:

The Customer terminates its Contract Offer Subscription after twenty-four (24) months, and the Customer received an IDCC of $25,400,000 for the previous twenty-four (24) months. The termination liability charges would be:

$25,400,000 X 75% = $19,050,000 termination liability charges.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.10 Termination (Cont'd)

(B) Excessive Service Outage Termination

An Excessive Service Outage occurs when the Customer's, Dedicated SONET Ring Service (DSRS), or any self-healing ring-based Qualified Access Service experiences simultaneous equipment service interruptions of both the working and protection path of the network, and the service interruptions have not been excepted from treatment for a credit allowance under NBTC Tariff F.C.C. No. 1, Section 2.

(1) An Excessive Service Outage remedy will be available to the Customer if any of the following conditions apply:

(a) If, during any consecutive six (6) month period, there are more than two (2) Excessive Service Outages on an individual DSRS;

(b) If, during any consecutive twelve (12) month period, there are more than three (3) Excessive Service Outages on an individual DSRS; and/or

(c) If Excessive Service Outages reach a cumulative total of twelve (12) hours in any period of thirty (30) consecutive calendar days on an individual DSRS.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.9 Contract Offer No. 9 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.9.10 Termination (Cont'd)

(B) Excessive Service Outage Termination (Cont'd)

(2) If an Excessive Service Outage occurs, the Customer shall have one of the following Excessive Service Outage remedies. The Customer shall elect one of these remedies within sixty (60) days after the end of the Excessive Service Outage, as defined in Section 23.9.10(B)(1), by providing written notice to the Telephone Company:

(a) All underlying tariff remedies for the outage will apply for each Excessive Service Outage with no monthly limitations;

(b) Any failed equipment that is responsible for an Excessive Service Outage will be replaced, at no charge to the Customer, and with no change in the Customer's Term Period; or

(c) The Customer may terminate its subscription to the DSRS service which incurred the outage(s) without incurring termination liability charges, if applicable, by providing written notice to the Telephone Company. Termination will be effective within two hundred and forty (240) calendar days following delivery of written notice to the Telephone Company. (N)

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 10 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. [1] (D)

[1] See footnote (1) on page 23-182.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-182.

(This page filed under Transmittal No. 176)

23. [1] (D)

[1] See footnote (1) on page 23-182.

23. [1] (D)

[1] See footnote (1) on page 23-182.

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 11 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. [1] (D)

[1] See footnote (1) on page 23-187.

23. [1] (D)

[1] See footnote (1) on page 23-187.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-187.

23. [1] (D)

[1] See footnote (1) on page 23-187.

23. [1] (D)

[1] See footnote (1) on page 23-187.

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 12 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ACCESS SERVICE

23. [1] (D)

[1] See footnote (1) on page 23-193.

23. [1] (D)

[1] See footnote (1) on page 23-193.

23. [1] (D)

[1] See footnote (1) on page 23-193.

23. [1] (D)

[1] See footnote (1) on page 23-193.

23. [1] (D)

[1] See footnote (1) on page 23-193.

23. [1] (D)

[1] Material previously contained in this section has been deleted. DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 13 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. [1] (D)

[1] See footnote (1) on page 23-199.

23. [1] (D)

[1] See footnote (1) on page 23-199.

23. [1] (D)

[1] See footnote (1) on page 23-199.

23. [1] (D)

[1] See footnote (1) on page 23-199.

23. [1] (D)

[1] See footnote (1) on page 23-199.

23. Pricing Flexibility Contract Offerings

(N)

23.14 Contract Offer No. 14— Price Flex MARC and Discount Freeze Option

23.14.1 General Description

Contract Offer No. 14 - The Price Flex MARC and Discount Freeze Option permits the modification of certain contract offers set forth in Nevada Bell Telephone Company (NBTC) Tariff No. 1, Section 23, that contain Minimum Annual Revenue Commitments (MARCs), and were in effect as of December 29, 2006. This Contract Offer is available to Customers that meet the Eligibility Criteria specified below.

This Contract Offer implements the following commitment of the Telephone Company (Special Access Commitment 11):

> “Within 14 days of the Merger Closing Date, the AT&T/BellSouth ILECs will give notice to customers of AT&T/BellSouth with interstate pricing flexibility contracts that provide for a MARC that varies over the life of the contract that, within 45 days of such notice, customers may elect to freeze, for the remaining term of such pricing flexibility contract, the MARC in effect as of the Merger Closing Date, provided that the customer also freezes, for the remaining term of such pricing flexibility contract, the contract discount rate (or specified rate if the contract sets forth specific rates rather than discounts off of referenced tariffed rates) in effect as of the Merger Closing Date.”

Merger Closing Date, for purposes of this Contract Offer, shall be December 29, 2006.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.14 Contract Offer No. 14 – Price Flex MARC and Discount Freeze Option (Cont'd)

23.14.2 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) As of December 29, 2006, the Customer must have subscribed to one or more pricing flexibility contract offers in NBTC Tariff No. 1, Section 23, and such contract offer(s) must include a MARC that varies over the Term Period(s) of the contract offer(s); and

(B) Within 45 days after receiving notice from the Telephone Company regarding Special Access Commitment 11, the Customer must have elected to freeze the MARC and discount rate (or specified rate if the contract offer sets forth specific rates rather than discounts from referenced tariff rates) in effect as of December 29, 2006.

23.14.3 Terms and Conditions

(A) Within thirty (30) days of the effective date of this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must identify each pricing flexibility contract offer for which the Customer elects to freeze its MARC and discount rate (or specified rate).

(B) Notwithstanding any provision of any contract offer that provides for a MARC which varies over the Term Period of such Contract Offer, the MARC and discount rate (or specified rate) shall remain fixed for the remainder of the Term Period of such Contract Offer at the levels in effect as of December 29, 2006.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.14 Contract Offer No. 14 – Price Flex MARC and Discount Freeze Option (Cont'd)

23.14.3 Terms and Conditions (Cont'd)

(C) The Telephone Company shall make such billing adjustments as may be necessary to implement Section 23.14.3(B) of this Contract Offer.

(D) This Contract Offer shall not affect the interpretation or application of any provision of any contract offer that affects the MARC only incidentally or indirectly, such as Merger and Acquisition provisions that require recalculation or adjustment of the MARC to take into account the effects of a merger or acquisition of or by the Customer.

(E) The Customer shall comply with all terms and conditions applicable to the service subject to this Contract Offer, including those of any underlying contract offer or any otherwise applicable tariff. Any violation of such a contract offer or tariff shall be deemed a violation of this Contract Offer.

(F) The rates, terms and conditions applicable to the Customer's service shall not be affected by this Contract Offer except as expressly provided.

(N)

ACCESS SERVICE

23. [1] (D)

[1] Material previously contained in this section has been deleted. OC-N PTP and DSRS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 15 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

23. [1] (D)

[1] See footnote (1) on page 23-208.

ACCESS SERVICE

23. [1]

(D)

[1] See footnote (1) on page 23-208.

ACCESS SERVICE

23. [1]

(D)

[1] See footnote (1) on page 23-208.

ACCESS SERVICE

23. [1]

(D)

[1] See footnote (1) on page 23-208.

ACCESS SERVICE

23. [1]

(D)

[1] See footnote (1) on page 23-208.

ACCESS SERVICE

23. [1]

(D)

[1] See footnote (1) on page 23-208.

23. Pricing Flexibility Contract Offerings (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer

23.16.1 General Description

Contract Offer No. 16 - OC-12 Dedicated SONET Ring Service (DSRS) Offer is an access discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 23.16.3, and the Terms and Conditions in Section 23.16.4, to purchase Subject Services in Section 23.16.2 at the discounted rates listed in Section 23.16.5. Subject Services provided under Contract Offer No. 16 are available only in the Pricing Flexibility Metropolitan Statistical Area (hereafter referred to as MSA) described in Section 23.16.3(C).

This Contract Offer is available for subscription from October 13, 2007 to November 13, 2007. This Contract Offer is not renewable.

23.16.2 Subject Services

(A) This Contract Offer applies to the following pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff section:

(1) Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Section 26 – Dedicated SONET Ring Service.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

23.16.3 Eligibility Criteria

The Customer must meet the following eligibility criteria at the time of subscription to this Contract Offer:

(A) Service must be a Subject Service listed in Section 23.16.2;

(B) The Subject Services must not have previously been provided to the Customer by the Telephone Company; and

(C) The Subject Services must be located in the Reno, NV MSA.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be seventy-two months (72) months commencing on the date billing begins.

Upon expiration of the Term Period, the Subject Services provided under this Contract Offer shall be subsequently provided under the prevailing applicable monthly extension rates described in Section 26.4, unless the Customer:

(1) Selects an applicable Term Pricing Plan/Optional Payment Plan described in Section 26.4; or

(2) Disconnects the Subject Services.

(B) General

(1) Subject Services provided under this Contract Offer are subject to certain rates, charges and general terms and conditions described in Sections 2, 5 and 13 in the NBTC Tariff F.C.C. No. 1, as applicable.

(2) The Customer shall not include Subject Services provided under this Contract Offer 16 with any other contract offer, promotional offering or other discount plan (e.g., MVP).

(3) The Customer must purchase one (1) OC-12 Dedicated SONET Ring Service which has not previously been provided to the Customer by the Telephone Company, pursuant to this Contract Offer and as configured and described in Section 23.16.5, at the discounted rates listed in Section 23.16.5. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16. Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(1) To subscribe to this Contract Offer, the Customer must provide the Telephone Company with a signed LOS. Within thirty (30) days after submitting a signed LOS to the Telephone Company, the Customer must submit its access service order for the Subject Service pursuant to this Contract Offer. Failure to submit a service order within the required thirty (30) day interval shall constitute cancellation of the LOS.

(2) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(3) If the Customer discontinues service under this Contract Offer during the Term Period, termination liability charges shall apply in accordance with Section 23.16.9.

(4) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS, cancellation charges will apply. The Customer must pay cancellation charges, which are the actual costs incurred by the Telephone Company up to the date of cancellation. Cancellation requests must be in writing.

(8) If the Customer requests additional service, features or functions not included in Section 23.16.5, the Customer will pay the tariff rates for the additional services, features or functions, as contained in the Section 26, Metropolitan Statistical Area Access Services, except as noted in Section 23.16.5(A). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16. Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(9) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Service provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offerings from the Telephone Company, in substitution for the Subject Service provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:

(i) The Customer must meet all eligibility requirements outlined in Section 23.16.3, and Terms and Conditions outlined in Section 23.16.4; and

(ii) The Customer must notify the Telephone Company ninety (90) calendar days prior to exercising this option.

The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.5 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The rates for, and initial configuration of, Subject Services under this Contract Offer shall be as provided in Table A, below:

Table A

Rate Elements	USOC	Qty	MRC
OC-12 Customer Premises First Node	FP5DX	1	$1,430.00
OC-12 Central Office Node	FC5DX	1	$1,202.50
DS-3 Port at OC-12 Node	SPRCX	24	$1,716.00
Total MRC			**$4,348.50**

The Customer may purchase additional DS-3 Ports at the discounted rates specified above during the Term Period of this Contract Offer No. 16. The ports will be co-terminus with the Contract Offer Term Period.

If a Port is added to the OC-12 DSRS prior to the last twelve (12) months of the Term Period, the minimum commitment applicable to the new Port will be co-terminus with the Term Period. However, notwithstanding anything to the contrary herein, if a node is added during the last twelve (12) months or less of the Term Period, the Customer will be billed, and must pay, the node MRC for a minimum period of twelve (12) months.

Any rate elements not described herein will be subject to the applicable rates and charges provided in Section 26. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or

(2) "high risk" in a Paydex score as published by Dun and Bradstreet.

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 23.16.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.7 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

23.16.8 Detariffing

If, during the Term Period of this Contract Offer, the Telephone Company withdraws any tariff provisions related to any of the services subject to this Contract Offer or receives from the Federal Communications Commission (FCC) approval of a petition for forbearance from Title II regulation of any services subject to this Contract Offer, the Telephone Company and the Customer shall cooperate in good faith to assure that the rights and obligations of both parties under this Contract Offer are preserved and continue in full force and effect to the greatest extent practicable and consistent with applicable law. This obligation may include, but is not limited to, continued operation pursuant to tariff on a grandfathered basis, or the replacement of this Contract Offer or any other applicable tariff with a contract including substantially the same rates, Terms and Conditions as this Contract Offer and/or any other applicable tariff, unless the parties agree to other terms and conditions. The Telephone Company will provide the Customer notice of any such withdrawal in a manner consistent with applicable law. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.16 Contract Offer No. 16 – OC-12 Dedicated SONET Ring Service Offer (Cont'd)

23.16.9 Termination Liability

During the Term Period of this Contract Offer, the termination liability language contained below applies in lieu of the termination liability language described in NBTC Tariff F.C.C. No. 1, Section 26. Termination charges shall become due as of the effective date of the termination.

(A) If the Customer terminates this Contract Offer, in whole or in part, or is not in compliance with all provisions of this Contract Offer, the Customer shall be liable for a termination charge which shall be equal to fifty (50) percent of all Monthly Recurring Charges (MRCs) for the balance of the seventy-two (72) month Term Period, and will be calculated as follows:

(MRCs) multiplied by (Months remaining in Term Period) multiplied by (termination liability percentage of 50 percent) = termination liability charge

Example: A Customer with a $6,690.90 MRC terminates service after sixty (60) months, and has twelve (12) months remaining in the seventy-two (72) month Term Period. The termination liability would be calculated as:

($6,690.00 X 12) X 50% = $40,140 termination liability charge.

Upon termination of this Contract Offer, the Subject Services provided under this Contract Offer shall be subject to the terms outlined in Section 23.16.4(A). (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer

23.17.1 General Description

Contract Offer No. 17 – Special Access SONET Service Offer (Contract Offer No. 17) is an access discount pricing plan for which concurrent subscription is (N) required to the following Access Tariffs: Ameritech (Nx) Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 173; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 17; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 148. (Nx) This Contract Offer No. 17 permits Customers who meet the Eligibility Criteria in (N) Section 23.17.3, and the Terms and Conditions in Section 23.17.4, to purchase Subject Services in Section 23.17.2 at the discounted rates listed in Section 23.17.5. Subject Services under Contract Offer No. 17 are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 23.17.3 (B).

Contract Offer No. 17 is available for subscription from October 20, 2007 through November 20, 2007. This Contract Offer is not renewable.

23.17.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section(s):

(1) NBTC Tariff F.C.C. No. 1, Section 7 – Special Access Service – DS3; and

(2) NBTC Tariff F.C.C. No. 1, Section 26 – Dedicated SONET Ring Service (DSRS) – OC-48.

(B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein. (N)

(x)Issued under Authority of Special Permission No. 07-032 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to receive Contract Offer No. 17 discounted rates:

(A) Subject Services must be pricing flexibility qualified access services listed in Section 23.17.2(A).

(B) Subject Services must be located in the following MSA: Reno, NV.

(C) Subject Services must originate or terminate on a wireless carrier's network.

(D) Concurrent Subscription

The Customer must concurrently subscribe to the following Contract Offers: (N)

(1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 173; and (Nx)

(2) SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 148. (Nx)

23.17.4 Terms and Conditions (N)

(A) Term Period

The contract term (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. This Contract Offer is not renewable.

At the expiration of the Term Period, the Customer may choose from the payment plan options described in NBTC Tariff F.C.C. No. 1, Sections 7 and 26. If, at the expiration of the Customer's Contract Term Period, the Customer does not choose to disconnect or to select one of those payment plan options, the Telephone Company shall convert the Subject Services to the prevailing monthly extension rates in NBTC Tariff F.C.C. No. 1, Section 22. (N)

(x)Issued under Authority of Special Permission No. 07-032 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.4 Terms and Conditions (Cont'd)

(B) General

(1) Subject Services, as described in Section 23.17.2, are subject to certain rates, charges and general terms and conditions described in NBTC Tariff F.C.C. No. 1, Sections 2, 5, and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions described in the Contract Offer.

(2) Any Subject Service ordered pursuant to this Contract Offer must be new and/or upgraded from a currently subscribed service provided by the Telephone Company. For purposes of this Contract Offer: (i) "new" shall mean that the Telephone Company was not providing a similar service to the Customer prior to the commencement of the Term Period; and (ii) "upgraded" shall mean that the Telephone Company was previously providing the Customer with DSRS at a bandwidth less than that of the relevant Subject Service.

(3) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.

(4) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering, or other discount plan (e.g., MVP).

(5) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services under this Contract Offer is prohibited.

(6) If the customer discontinues service under Contract Offer No. 17 during the term period, or if the customer fails to comply with any of the terms or conditions of this contract offer or any other applicable tariff provision, termination liability charges shall apply in accordance with Section 23.17.10.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.4 Terms and Conditions (Cont'd)

(B) General (Cont'd)

(7) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

(8) The Customer must purchase one (1) new OC-48 DSRS Subject Service within thirty (30) days after subscribing to this Contract Offer.

(9) DS3 Central Office Multiplexing Subject Services ordered under Contract Offer No. 17 must subtend SONET Subject Services provided by the Telephone Company, and must be ordered in locations where such services are deployed as of the time of the Customer's order.

(C) Service Terms

(1) Subject Services purchased under this Contract Offer shall be subject to a minimum term commitment (Service Term). For Subject Services purchased during the first twenty-four (24) months of the Term Period, the Service Term shall be co-terminus with this Contract Offer. For Subject Services purchased after the first twenty-four (24) months of this Contract Offer, the Service Term will be sixty (60) months, and upon expiration of the Term Period, such Subject Services will be provided subject to the prevailing sixty (60) month term payment plan rates in Section 22, as applicable to such Subject Services, for the remainder of the Service Term. Upon completion of the Service Term, the Customer may elect to continue the Subject Service at Month-to-Month prevailing tariff rates, subscribe to an otherwise available term payment plan as applicable in Section 22, or disconnect the Subject Service.

(2) If the Customer disconnects a Subject Service before the completion of the Service Term during the Term Period, or if the Customer fails to comply with the Terms and Conditions of this Contract Offer or with any provision of any other applicable tariff, termination charges shall apply in accordance with Section 23.17.10.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.5 Rates and Charges

(A) DSRS Rates and Charges

The Customer must pay the Monthly Recurring Charges (MRCs) listed in Table A, below, for OC-48 DSRS Subject Services ordered under this Contract Offer.

Table A

DSRS OC-48 Rate Elements	USOC	MRC
Customer Premises Node - First	FP5EX	$2357.50
Central Office Node	FC5EX	$2095.00
OC-48 Add/Drop Capability (Per Node)	MPEFX	$1447.50
OC-12/OC-12c Port	SPRHX	$177.50
OC-3/OC-3c Port	SPRJX	$67.50
DS3 Port	SPRKX	$55.00
OC-48 Mileage (Per Mile)	1YAZX	$105.00
Optical to Electrical Add/Drop	MXJDX	$350.00

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 22.

(B) DS3 Rates and Charges

The Customer must pay the Monthly Recurring Charge (MRC) listed in Table B, below, for DS3 Central Office Multiplexing Subject Service ordered under this Contract Offer.

Table B

DS3 Rate Element	USOC	MRC
Central Office Multiplexing - DS3 to DS1 - Per Arrangement	MKM/MQ3	$320.00

Any rate element not described herein will be subject to the applicable tariff rates provided in Section 22. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or

(2) "high risk" in a Paydex score as published by Dun and Bradstreet.

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 23.17.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

23.17.8 Technology Upgrade

If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:

(A) The Customer must meet all eligibility requirements outlined in Section 23.17.3, and Terms and Conditions outlined in Section 23.17.4;

(B) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and

(C) The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.9 Detariffing

If, during the Term Period of this Contract Offer, the Telephone Company withdraws, cancels or amends any tariff provisions related to any of the services subject to this Contract Offer as a result of an order of the Federal Communications Commission (FCC) granting approval, in whole or in part, of a petition for forbearance from Title II regulation of any services subject to this Contract Offer, the Telephone Company and the Customer shall cooperate in good faith to assure that the rights and obligations of both parties under this Contract Offer are preserved and continue in full force and effect to the greatest extent practicable and consistent with applicable law.

23.17.10 Termination Liability

(A) Contract Term Period

Termination liability, as described below, applies in lieu of the termination liability language in NBTC Tariff F.C.C. No. 1, Sections 7 and 26. If the Customer discontinues services provided under this Contract Offer before the completion of the Term Period for any reason, or if the Customer breaches the terms or conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to the MRC, multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a $100,000 MRC terminates service after thirty-six (36) months, and has forty-eight (48) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($100,000 X 48 months) X 50% = $2,400,000 termination liability charge (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.17 Contract Offer No. 17 – Special Access Bundle Service Offer (Cont'd)

23.17.10 Termination Liability (Cont'd)

(B) Service Term Period

Termination liability, as described below, applies in lieu of the termination liability language in NBTC Tariff F.C.C. No. 1, Sections 7 and 26. If the Customer discontinues any Subject Service provided under this Contract Offer before the completion of the Service Term during the Term Period for any reason, or if the Customer breaches the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to the Subject Service MRC, multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a $10,000 MRC terminates service after thirty-six (36) months, and has forty-eight (48) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($10,000 X 48 months) X 50% = $24,000 termination liability charge

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer

23.18.1 General Description

DS3 Extension Bundle Service Offer is an access discount pricing plan that provides Customers located in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) listed in Section 23.18.2 with a discount on the Monthly Recurring Charges (MRCs) listed in Section 23.18.4. Qualified services listed in Section 23.18.2 must meet the Eligibility Criteria described in Section 23.18.2.

Contract Offer No. 18 is available for subscription from July 31, 2008 to October 31, 2008. This Contract Offer (C)
is not renewable.

23.18.2 Eligibility Criteria

(A) This Contract Offer applies to the following pricing flexibility qualified access services as described in Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1 (Subject Services):

DS3 High Capacity Services – Section 7

(B) Contract Offer No. 18 is available for Subject Services located in any of the Pricing Flexibility MSAs listed below:

Reno, NV and Non-MSA, NV.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.2 Eligibility Criteria (Cont'd)

(C) Subject Services must be new installations. Services that were being provided to the Customer by the Telephone Company prior to the Customer's subscription to this Contract Offer are not eligible for this Contract Offer.

(D) This Contract Offer is available only where facilities exist.

(E) DS3 Extension Bundles must terminate on a Dedicated SONET Ring Service (DSRS) Ring[1] provided by the Telephone Company.

(F) This Contract Offer does not apply to DSRS[1] DS3 ports or DS3 services terminated to collocation. (N)

[1]DSRS services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.3 Terms and Conditions

(A) Service Terms for Subject Services

Subject Services shall be subject to a minimum term commitment (Service Term) of twelve (12), thirty-six (36), or sixty (60) months, as applicable to the billing period selected by the Customer for the relevant Subject Service. The Service Term for each Subject Service shall begin on the billing date of that Subject Service.

Upon expiration of the Service Term, the Subject Service(s) shall be provided under the prevailing monthly extension rates described in Sections 7 and 22, unless the Customer:

(1) Selects from the billing period options listed in Sections 7 and 22; or

(2) Disconnects the Subject Service(s).

(B) General Terms and Conditions

(1) Subject Services provided under this Contract Offer are subject to certain rates, charges, and general terms and conditions described in Sections 2, 5, and 13, as applicable.

(2) To subscribe to this Contract Offer, Customers must submit a signed LOS to the Telephone Company.

(3) Within sixty (60) days after submitting its signed LOS, the Customer must submit its access order(s) pursuant to this Contract Offer. The Customer may submit additional access orders to purchase new Subject Services thereafter, provided that all new Subject Services purchased must have an installation completion date on or before December 31, 2008 to be eligible for this Contract Offer. However, Subject Services that are ordered no later than November 30, 2008, but are assigned completion dates beyond December 31, 2008 as a result of Telephone Company reasons, shall be eligible for this Contract Offer. (C)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.3 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(4) If the Customer discontinues service under Contract Offer No. 18 during the Service Term, or if the Customer breaches any term or condition of this Contract Offer or any other applicable tariff provision, termination liability charges will apply in accordance with Section 23.18.7.

(5) This Contract Offer cannot be combined with any other discount, promotional offering or other pricing flexibility contract offer unless explicitly stated in such other discount plan, promotional offering or pricing flexibility contract offer.

(6) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(7) If the Customer requests additional service, features and functions not included in Section 23.18.4, the Customer will pay the tariff rates as contained in Sections 7 and 22, as applicable. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.4 Rates and Charges

(A) Monthly Recurring Charge (MRCs)

The Customer must pay the MRCs, listed below, for new DS3 Extension Bundle Service ordered under this Contract Offer.

Any rate element not described herein will be subject to the applicable tariff rates provided in Sections 7 and 22.

DS3 Service Bundle	**USOCs**	**1 Year Term**	**3 Year Term**	**5 Year Term**
DS3 Channel Mileage Fixed	1L5XX	$1100	$900	$800
DS3 Channel Mileage Per Mile (1 – 15 Miles only)	1L5XX			
DS3 to DS1 Multiplexer	MQ3			

Generally applicable Non-Recurring Charges (NRCs) shall apply. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B), or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or

(2) "high risk" in a Paydex score as published by Dun and Bradstreet.

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.18 Contract Offer No. 18 – DS3 Extension Bundle Service Offer (Cont'd)

23.18.6 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

23.18.7 Termination Liability

Subject Services shall be subject to termination liability as provided in this Contract Offer, in lieu of the termination liability language contained in Section 7 for DS3 Service. If the Customer terminates services before the completion of the Term Period for any reason, or if the Customer breaches any of the Terms or Conditions of this Contract Offer or any other applicable tariff provision, the Customer must pay to the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination, and are payable as described in Section 7. The Customer's termination liability for cancellation of service shall be equal to one hundred (100) percent of all MRCs for the balance of the Service Term applicable to the relevant Subject Service(s).

Example: A Customer with a $900 DS3 Service Bundle MRC terminates service after two (2) years, and has twelve (12) months remaining in a thirty-six (36) month term plan. The termination liability would be calculated as:

$900 X 12 = $10,800 termination liability charge. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.19 Contract Offer No. 19 – Access Service Offer

23.19.1 General Description

The Access Service Offer (Contract Offer No. 19) is an access discount plan for which concurrent subscription is required to the following Access Tariffs: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 19; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 146; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 41; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 160 (collectively, the “Concurrently Subscribed Contract Offers”). NBTC, PBTC, SNET and SWBT shall be identified herein as the “Qualified Companies.” (N) (Nx) (Nx)

(N) Contract Offer No. 19 requires eligible Customers to maintain a Minimum Annual Revenue Commitment (MARC), as defined in Section 23.19.5, for each Term Year of the Term Period. Contract Offer No. 19 is available to any Customer who commits to a MARC of $385 million, in the aggregate, under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers. The MARC consists of recurring revenues from, in the aggregate, all MARC-eligible Services purchased from Nevada Bell Telephone Company (“NBTC” or “Telephone Company”) which are eligible for inclusion in the MARC under this Contract Offer No. 19, and the MARC-eligible services as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers described in Section 23.19.3(D).

MARC-eligible Services provided by the Telephone Company shall include Subject Services, as described in Section 23.19.2(A), and Non-Subject Services, as described in Section 23.19.2(B). Non-Subject Services are not eligible for the discounts and other incentives provided under this Contract Offer No. 19.

Contract Offer No. 19 will be available for subscription only from December 11, 2008 through January 11, 2009. This offer is not renewable. (N)

(x) Issued under Authority of Special Permission No. 08-025 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.2 MARC-eligible Services

The MARC shall include recurring revenue from, in the aggregate, all MARC-eligible Services purchased from the Telephone Company under this Contract Offer No. 19, and the recurring revenue from MARC-eligible services as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers. MARC-eligible Services include both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below.

(A) Subject Services

Subject Services are listed in Table A, below. Subject Services are eligible for discounts and other incentives provided under this Contract Offer No. 19.

Table A – Subject Services

Subject Services	
Interstate Special Access	VG, DS0, DS1, DS3, BCS
Interstate Switched Transport	Entrance Facility, Direct Transport
Includes Recurring Charges associated with the products listed, where applicable, for all services located in Pricing Flexibility Metropolitan Statistical Areas (MSAs).	

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.2 MARC-eligible Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services are listed in Table B, below. Non-Subject Services shall not be eligible for discounts or other incentives provided under this Contract Offer No. 19.

Table B – Non-Subject Services

Non-Subject Services	
Interstate Special Access	AVS-270 Video Service, OCN PTP, DSRS, MON, GigaMAN, DecaMAN®, WaveMAN℠, Opt-E-MAN[1]
Interstate Switched Transport	Entrance Facility, Direct Transport
Intrastate Special Access	Equivalent services as Interstate Special Access above if available
Intrastate Switched Access	Equivalent services as Interstate Switched Access above if available.
Includes all Recurring Charges associated with the products listed, where applicable, for all non-pricing flexibility qualified services.	

If additional services are made available under NBTC Tariff F.C.C. No. 1 which were not available as of the effective date of this Contract Offer No. 19, any billed, recurring revenues for such additional services will be included in this Contract Offer No. 19 for the purpose of performing calculations to determine the achievement of the MARC pursuant to this Contract Offer No. 19.

All terms and conditions for the MARC-eligible Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 19. (N)

[1]AVS-270 Video Service, OCN PTP, DSRS, MON, GigaMAN, DecaMAN®, WaveMAN℠, and Opt-E-MAN services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 19:

(A) Contract Offer No. 19 is available for qualified access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22. During the Term Period of this Contract Offer No. 19, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 19.

(B) The MARC-eligible Services must be located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory).

(C) The Customer must have billed, recurring revenues sufficient to establish a MARC of $385 million for, in the aggregate, MARC-eligible Services, as defined in Section 23.19.2, and MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers described in Section 23.19.3(D).

(D) Concurrently Subscribed Contract Offers - The Customer must concurrently subscribe to the following Contract Offers: (N)

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 19; (Nx)
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 146;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 160; and
- SNET Tariff F.C.C. No. 39, Contract Offer No. 41. (Nx)

(x) Issued under Authority of Special Permission No. 08-025 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 19:

(A) Subscription

To subscribe to Contract Offer No. 19, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 19 (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred or converted for inclusion under this Contract Offer No. 19, except as described in Section 23.19.4 (O), below.

(B) Term Period

The term of this Contract Offer No. 19 (Term Period) shall be twenty-four (24) months, beginning on the date the Letter of Subscription (LOS) is signed by the last of the Customer and the Telephone Company (Effective Date), subject to extensions as provided in this Section, below. Each twelve (12) month period, beginning on the Effective Date, shall be a Term Year.

The Term Period will automatically be extended by two (2) consecutive one-year extension periods unless the Customer elects to terminate this Contract Offer No. 19, by providing to the Telephone Company written notice of termination of this Contract Offer No. 19, in accordance with the Terms and Conditions of this Contract Offer No. 19, at least sixty (60) days prior to the expiration of the initial twenty-four (24) months of the Term Period, or with respect to the second extension, at least sixty (60) days prior to the expiration of the first extension period. If the Customer fails to provide such notice, the Term Period shall continue until the expiration of the first extension period or the expiration of the second extension period, as applicable. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions (Cont'd)

(C) The Customer must establish a $385 million MARC for, in the aggregate, MARC-eligible Services, as defined in Section 23.19.2, and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers as described in Section 23.19.3(D).

(D) The Customer agrees to a MARC of $385 million during each Term Year of this Contract Offer No. 19, subject to Section 23.19.4(L), below. Revenues eligible to be included in the MARC shall be billed recurring charges for, in the aggregate, all MARC-eligible Services, as listed in Section 23.19.2 of this Contract Offer No. 19, and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, as described in Section 23.19.3(D). The Customer's revenues, for purposes of determining the achievement of the MARC, shall specifically exclude non-recurring charges, usage based charges and temporary service charges.

(E) The Telephone Company will review revenues for MARC-eligible Services and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, within sixty (60) days after the end of each quarter (each three consecutive months beginning with the first, fourth, seventh or tenth month of a Term Year) during the Term Period (Quarterly True-Up Process), as further provided in Section 23.19.6(F), below.

(F) Credits earned by the Customer under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 23.19.6(A), below, and in the analogous section of the other Concurrently Subscribed Contract Offers.

(G) Contract Offer No. 19 Credits are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's tariffs. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions (Cont'd)

(H) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 19.

(I) Purchase of Long Distance Voice Services:

During the Term Period of this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers, the Customer must commit to purchase an average of $90 million in recurring billed revenues for each completed Term Year in a single long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet[2] measured from the Effective Date of this Contract Offer No. 19 to the end of each Term Year.

If the Customer fails to commit to purchase at least the minimum required quantity of long distance voice services, or its commitment expires or is terminated for reasons other than an uncured material breach by the Telephone Company affiliate, then effective beginning on the first day on which there is no such long distance voice commitment and continuing through the end of the Term Period, including any extensions of the Term Period under Section 23.19.4(B), above, the Telephone Company shall terminate this Contract Offer No. 19 without charging termination liability pursuant to this Contract Offer No. 19. (N)

[2]ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at www.new.serviceguide.att.com.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions (Cont'd)

(J) This Contract Offer No. 19 is available December 11, 2008 through January 11, 2009.

(K) Commingling (as defined in NBTC Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 19 is prohibited.

(L) Additional ACNAs and Service Transfers

(1) Services provided to the Customer under ACNAs other than those designated by the Customer, as provided in Section 23.19.4(A) (Eligible ACNAs), may be included in this Contract Offer No. 19, and Customer may transfer any service from such additional ACNAs to Eligible ACNAs, upon 30-day written notice by the Customer, provided that any services so included or transferred qualify as MARC-eligible Services, as defined in Section 23.19.2 of this Contract Offer No. 19.

(2) If services provided to the Customer under ACNAs other than Eligible ACNAs (Other ACNAs) are included in this Contract Offer No. 19, or if services are transferred from Other ACNAs to Eligible ACNAs, the MARC shall be increased to reflect such inclusion or transfer. The amount by which the MARC is increased shall be equal to the billed monthly recurring charges applicable to the services included in or transferred to this Contract Offer No. 19 (Revenue Transferred In) times: (a) the number of months remaining in the current Term Year, for purposes of determining the MARC for the current Term Year, and/or (b) twelve (12), for purposes of determining the MARC for each Term Year thereafter. Notwithstanding the foregoing, for purposes of determining Monthly MARC Credit and Above MARC Credit, the amount by which the MARC is increased shall be equal to the billed monthly recurring charges for the services included in or transferred to this Contract Offer No. 19 times twelve (12) for all Term Years. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions (Cont'd)

(L) Additional ACNAs and Service Transfers (Cont'd)

(3) If any services included in or transferred to this Contract Offer No. 19 under Sections 23.19.4(L)(1) and 23.19.4(L)(2) were, immediately prior to such inclusion or transfer, being purchased under a Term Payment Plan (TPP), as provided in the NBTC Tariff F.C.C. No. 1, such services may be converted to any applicable month-to-month rate, term pricing plan or other discount or credit plan in an NBTC Tariff F.C.C. No. 1, effective at the time of such inclusion or transfer. If, as a result of such conversion, termination liability charges apply to the included or transferred services according to the terms and conditions of the NBTC Tariff F.C.C. No. 1, the Telephone Company shall issue credits to the Customer in an amount equal to the applicable termination liability charges. Such credits shall be applied to the Customer's billing for Subject Services under this Contract Offer No. 19.

(4) At the time any additional services are included in this Contract Offer No. 19 or transferred from Other ACNAs to Eligible ACNAs, the Customer shall be permitted to upgrade such services or to subscribe such services to any applicable term payment plan or other discount pricing or credit plan available in the NBTC Tariff F.C.C. No. 1, if such upgrade or subscription is permitted by the applicable tariff provisions.

(5) Revenue Transferred In shall be determined according to the monthly recurring charges applicable to the included or transferred services after taking into account the implementation of any upgrade or subscription to any term payment plan or other discount pricing or credit plan under Section 23.19.4(L)(4), above. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.4 Terms and Conditions (Cont'd)

(L) Additional ACNAs and Service Transfers (Cont'd)

(6) Removal or Transfer Out

If services provided to the Customer under Eligible ACNAs are removed from this Contract Offer No. 19, or if services are transferred from Eligible ACNAs to Other ACNAs, the MARC shall be decreased to reflect such removal or transfer. The amount by which the MARC is decreased shall be equal to the billed monthly recurring charges for the services removed from or transferred out of this Contract Offer No. 19 (Revenue Transferred Out) times either (a) the number of months remaining in the current Term Year, for purposes of determining the MARC for the current Term Year, or (b) twelve (12), for purposes of determining the MARC for each Term Year thereafter. Notwithstanding the foregoing, for purposes of determining Monthly MARC Credit and Above MARC Credit, the amount by which the MARC is decreased shall be equal to the billed monthly recurring charges for the services included in or transferred to this Contract Offer No. 19 times twelve (12) for all Term Years. This Section 23.19.4(L)(6) applies only to Subject Services that were previously transferred to or included in this Contract Offer No. 19 under Sections 23.19.4(L)(1) and 23.19.4(L)(2).

(7) Revenue Transferred Out shall be determined according to the monthly recurring charges applicable to the removed or transferred services during the month prior to such removal or transfer.

(8) The Customer may not include, remove and/or transfer services pursuant to Sections 23.19.4(L)(1), 23.19.4(L)(2) and/or 23.19.4(L)(6) of this Contract Offer No. 19 more frequently than once every six (6) months. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

The Customer must establish a $385 million MARC for, in the aggregate, (i) MARC-eligible Services purchased from the Telephone Company, as defined in Section 23.19.2, and (ii) MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, as described in Section 23.19.3(D). Except as otherwise provided in this Contract Offer No. 19, the Customer must comply with the $385 million MARC during each Term Year of this Contract Offer No. 19.

(B) MARC Achievement Calculations

Achievement of the MARC shall be determined according to the recurring revenue attributable to (i) MARC-eligible Services (defined in Section 23.19.2), as billed by the Telephone Company, plus any applicable True-up Amounts, as provided in Section 23.19.6(F); and (ii) MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, plus any applicable True-up Amounts provided for therein. Recurring revenue from MARC-eligible Services shall include MARC-eligible Services purchased by the Customer, both as of the Effective Date and subsequently during the Term Period. To be included in the MARC Achievement Calculations, all recurring revenue must be billed under the MARC-eligible ACNAs, as defined in Sections 23.19.4(A) and 23.19.4(L).

(C) Failure to Achieve the MARC

If the Customer fails to achieve the MARC as determined in the Quarterly True-up Process, the Telephone Company shall apply a True-up Amount to the Customer's bills for Subject Services, as provided in Section 23.19.6(F). (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits

(A) Monthly Credits

For each month of the Term Period, the Customer may be eligible for the following types of credits under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers (collectively "Monthly Credits"), as further provided below:

Monthly MARC Credit;
Above MARC Credit; and
Non-Recurring Charges (NRCs) Credit.

The aggregate amounts of Monthly MARC Credits and Above MARC Credits under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers shall be as provided in Table C. The Monthly Credits shall be divided among this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services in each of the other Concurrently Subscribed Contract Offers. The Telephone Company will post Monthly Credits, if applicable, so attributed to this Contract Offer No. 19 to the Customer's invoices for Subject Services, beginning with the first full month following the Effective Date. The Telephone Company shall post Credits sixty (60) days in arrears. Credits shall not be posted if the Customer is in material breach of this Contract Offer No. 19, or in material breach of the terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer.

Table C:

Term Year	Monthly MARC Credit (shown as % of Monthly MARC)	Above MARC Credit
Year 1	10.0%	16.0%
Year 2	10.5%	16.0%
Extension Year 1	11.0%	16.0%
Extension Year 2	12.0%	16.0%

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(B) Monthly MARC Credit

The Telephone Company shall post the portion of a Monthly MARC Credit so attributed to this Contract Offer No. 19 to the Customer's monthly invoices for Subject Services, for each month in which the Customer's aggregate revenue for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, meets or exceeds one-twelfth of the MARC (Monthly MARC). The Monthly MARC Credit, in the aggregate, shall be equal to the percentage set forth in Table C for the applicable Term Year times the Monthly MARC, and then proportionately applied among this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers, as described in Section 23.19.6(A).

(C) Above MARC Credit

The Telephone Company shall post the portion of an Above MARC Credit so attributed to this Contract Offer No. 19 to the Customer's monthly invoices for Subject Services, for each month in which the Customer's aggregate revenue for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, exceeds the Monthly MARC. The Above MARC Credit, in the aggregate, shall be equal to the percentage set forth in Table C for the applicable Term Year times the amount, if any, by which the Customer's recurring aggregate revenues for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, exceed the Monthly MARC, and then proportionately applied among this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers, as described in Section 23.19.6(A). (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(D) Above MARC Credit Review

Upon completion of each Term Year, the Telephone Company shall review the Customer's total recurring revenues for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, and total Above MARC Credits applied during that Term Year under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers, and shall issue credits or debits as necessary for the purpose of adjusting the total Above MARC Credits issued for the Term Year to the amount that would have been issued had Above MARC Credits been issued in a lump sum for the entire Term Year. Such adjustments shall be performed as follows: (i) if the total Above MARC Credits issued during the Term Year are less than the product of the total recurring revenue for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, during the Term Year (not including any applicable True-up Amount or True-up Refund, as provided in Section 23.19.6(F), below) times the applicable percentage listed in Table C (Earned MARC Credits), the Qualified Companies shall issue additional Above MARC Credits which, in the aggregate, equal to the difference between the Earned MARC Credits and the total Above MARC Credits previously issued for that Term Year; and (ii) if the total Above MARC Credits issued for that Term Year are greater than the Earned MARC Credits, the Qualified Companies shall issue a debit(s) to the Customer which, in the aggregate, equals the amount of the difference. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(E) Non-Recurring Charges (NRCs) Waiver or Credit

The Telephone Company shall waive all non-recurring charges (NRCs) associated with the initial installation of Subject Services for which the Application Date (App Date) of the applicable Access Service Request (ASR) is during the Term Period. In addition, the Telephone Company shall issue credits to the Customer in the amount of all NRCs associated with the initial installation of Non-Subject Services for which the App Date of the applicable ASR is during the Term Period. Relevant NRCs for Non-Subject Services shall initially be billed as incurred. The Telephone Company will issue credits to the Customer in arrears, on a quarterly basis, in the amount equal to the total of such NRCs charged to the Customer during the relevant quarter. Waiver of, and credits for, NRCs are subject to the following conditions:

(1) To be eligible for waiver or credits, each relevant ASR must relate to a service ordered subject to a Term Pricing Plan (TPP) of three (3) years or longer;

(2) Any Subject Service for which NRCs are waived or credited must remain in service for the duration of the applicable TPP, and the Customer must comply with all terms and conditions of the applicable TPP. Previously waived or credited NRCs, if any, shall be retroactively billed to the Customer if Subject Services are terminated prior to completion of the applicable TPP during the Term Period, or if the Customer fails to comply with the terms and conditions of the applicable TPP during the Term Period; and

(3) NRCs associated with expedited orders, special construction, additional labor charges, subsequent changes and moves shall not be eligible for waiver. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process

(1) The Qualified Companies shall perform true-up calculations following each quarter of each Term Year of this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers (Quarterly True-up Process). To perform such calculations, the Qualified Companies shall determine the Customer's total recurring revenue for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, for the completed quarters of the Term Year (Year-to-Date Revenue), and shall compare that amount to the year-to-date pro-rated MARC, which shall be defined as the product of one-fourth of the MARC times the number of quarters included in each Quarterly True-up Process (the Year-to-Date MARC). The first quarter of the first Term Year of this Contract Offer No. 19 will begin on the first day of the first full month of the Term Period. Subsequent quarters will begin every three months thereafter, for the remainder of the Term Period. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

(2) If, based on the Quarterly True-up Process, the Year-to-Date Revenue is greater than or equal to the Year-to-Date MARC, the Qualified Companies will issue, in the aggregate: (i) a Monthly MARC Credit(s) for any month during the most recent quarter for which a Monthly MARC Credit was not previously issued, and (ii) an Above MARC Credit(s) for any portion of the difference between the Year-to-Date Revenue and the Year-to-Date MARC for which no Above MARC Credit was previously issued. Credits to be issued as a result of the Quarterly True-up Process shall be subject to any applicable True-up Amount, as provided in Section 23.19.6(F)(4), below. If, based on the Quarterly True-up Process, the Year-to-Date Revenue is less than the Year-to-Date MARC, the Qualified Companies will issue a debit(s) to the Customer equal to the difference between Year-to-Date Revenue and the Year-to-Date MARC (True-up Amount). The True-up Amount shall be subtracted from the amount of any Credits for which the Customer qualifies as a result of the Monthly True-up Process. If the True-up Amount is less than the amount of such Credits, the Qualified Companies will issue a credit which will, in the aggregate, equal the amount of the difference to the Customer. If the True-up Amount is greater than the amount of such Credits, the Qualified Companies will issue a debit(s) which will, in the aggregate, equal the amount of the difference to the Customer. True-up Amounts will subsequently be included as recurring revenue for MARC-eligible Services under this Contract Offer No. 19 and the MARC-eligible services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, for purposes of performing MARC Achievement Calculations and the Quarterly True-up Process. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

(3) If, upon the fourth Quarterly True-up Process of any Term Year, the Customer's Year-to-Date Revenue (including True-up Amounts) exceeds the MARC, and the Customer has been subject to True-up Amounts during that Term Year, the Qualified Companies will issue a credit(s) to the Customer which, in the aggregate, equals the amount by which Year-to-Date Revenue exceeds the MARC (True-up Refund), provided, however, that the True-up Refund may not exceed the total True-up Amounts to which the Customer was subject during that Term Year.

(4) The Qualified Companies will apply any credits or debits resulting from the Monthly True-up Process to the Customer's invoices for Subject Services under this Contract Offer No. 19 and the subject services, as defined and provided in, and purchased under, the other Concurrently Subscribed Contract Offers, beginning with the first quarter following the Effective Date. Such credits shall be applied sixty (60) days in arrears, following the end of each quarter. Credits shall not be issued if the Customer is in material breach of this Contract Offer No. 19, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of First Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue for the First Quarter is $95 million. Assume the Customer received Monthly MARC Credits under this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers for two (2) months during the First Quarter of the Term Year. In this example, the Customer would be subject to a True-up Amount of $1.25 million. The Qualified Companies would issue a net credit(s), in the aggregate, equal to $1,958,333 to the Customer (one month's Monthly MARC Credit, less $1.25 million), as shown in Table D, below.

Table D:

First Quarter Year-to-Date MARC ($385,000,000 ÷ 4)	$96,250,000
Recurring Revenue for MARC-eligible Services and MARC-eligible Services (combined) for the First Quarter of the Term Year	$95,000,000
True-up Amount for the First Quarter	$1,250,000
Monthly MARC Credits Issued During the First Quarter	$6,416,667
Additional Monthly MARC Credit to be Issued as a Result of Quarterly True-up Process	$3,208,333
Above MARC Credit	$0
Net Credits to be Issued	$1,958,333

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Second Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue for the first two quarters is $191 million. Assume that the Customer was subject to a True-up Amount of $1.25 million for the First Quarter and received Monthly MARC Credits for four (4) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer would be subject to a True-up Amount of $250,000 for the Second Quarter. The Qualified Companies would issue a net credit(s), in the aggregate, equal to $6,166,666 to the Customer (two months' Monthly MARC Credits, less $250,000), as shown in Table E, below.

Table E:

Second Quarter Year-to-Date MARC (($385M ÷ 4) × 2)	$192,500,000
Year-to-Date Revenue for the First and Second Quarters of the Term Year (Not Including Previous First Quarter True-up Amount)	$191,000,000
True-up Amount Applied for First Quarter	$1,250,000
Additional True-up Amount for Second Quarter	$250,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$6,416,666
Above MARC Discount	$0
Net Credits to be Issued	$6,166,666

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Third Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue during the first three (3) quarters is $290 million. Assume that the Customer was subject to True-up Amounts totaling $1.5 million for the First and Second Quarters, and received Monthly MARC Credits for eight (8) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer is not subject to any True-up Amount. The Qualified Companies would issue a credit(s), in the aggregate, equal to $3,408,333 to the Customer ($3,208,333 in Monthly MARC Credits, plus $200,000 in Above MARC Credit), as shown in Table F, below:

Table F:

Third Quarter Year-to-Date MARC (($385M ÷ 4) × 3)	$288,750,000
Year-to-Date Revenue for the First, Second and Third Quarters of the Term Year	$290,000,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$3,208,333
Above MARC Discount	$200,000
Net Credits to be Issued	$3,408,333

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.6 Discounts and Other Credits (Cont'd)

(F) Quarterly True-up Process (Cont'd)

Example of the Fourth Quarter Term Year 1 True-up:

The MARC for Year 1 is $385 million, and the Year-to-Date Revenue during the first four (4) quarters is $375 million. Assume that the Customer was subject to True-up Amounts totaling $1.5 million for the First and Second Quarters, and received Monthly MARC Credits for ten (10) months of the Term Year (either on a monthly basis or as a result of the Quarterly True-up Process). In this example, the Customer would be subject to a True-up Amount of $8.7 million (includes the Above the MARC Discount applied in the Third Quarter.) The Customer would owe the Qualified Companies $2,283,334 (two month's Monthly MARC Credit, less $8.7 million), as shown in Table G, below:

Table G:

Fourth Quarter Year-to-Date MARC (($385M ÷ 4) × 4)	$385,000,000
Year-to-Date Revenue for the First, Second, Third and Fourth Quarters of the Term Year (Not Including Previous First and Second Quarters True-up Amount)	$375,000,000
True-up Amount Applied for First and Second Quarters	$1,500,000
Additional True-up Amount for Fourth Quarter	$8,700,000
Above the MARC Discount Applied for Third Quarter	$200,000
Additional Monthly MARC Credits to be Applied as a Result of Quarterly True-Up Process	$6,416,666
Above MARC Discount	$0
Net True-up Amount	$2,283,334

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.7 Assignment/Transfer/Successors

Neither party shall assign or otherwise transfer this Contract Offer No. 19 or its rights or obligations hereunder to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that either party shall have the right, without the consent of but with notice to the other party, to assign or otherwise transfer this Contract Offer No. 19 to any person or entity that controls, is under the control of, or is under common control with the assigning party. Further, the Telephone Company may also, without Customer's consent, assign its rights and obligations under this Contract Offer No. 19 to an affiliate, or subcontract to an affiliate or a third party, work to be performed under this Contract Offer No. 19. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 19, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 19, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 19 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 19 or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

23.19.8 Mergers/Acquisitions

All provisions of this Contract Offer No. 19 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 19 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. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.9 Termination

(A) Rate Reduction

If, during the Term Period, the Tariff and/or Guidebook MRCs applicable to Subject and Non-Subject Services, as listed in this Section, below, and to the subject and non-subject services as listed in the analogous section of the other Concurrently Subscribed Contract Offers, are reduced by a cumulative total of thirty (30) percent, as compared to the rates applicable to Subject and Non-Subject Services and those subject and non-subject services on the Effective Date, as defined in Section 23.19.4(B) (Initial Rates), either party may terminate this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers without incurring any termination liability charge that would otherwise be due under this Contract Offer No. 19, upon 60-day advance written notice to the other party. Such option to terminate shall be exercisable to this Contract Offer No. 19 and the other Concurrently Subscribed Contract Offers as a package; neither party can terminate less than all of them. To determine whether such a rate reduction has occurred, the Qualified Companies will take the following steps. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.9 Termination (Cont'd)

(A) Rate Reduction (Cont'd)

Within sixty (60) days after the Effective Date of this Contract Offer No. 19, the Qualified Companies will perform an analysis of the Initial Rates (Initial Rate Analysis). The Initial Rate Analysis will be based on the actual quantities of the rate elements, below, and the actual quantities of those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, in each case being purchased by the Customer as of the Effective Date:

1. DS-1: Channel Terminations ("CT"), Channel Mileage ("CM") fixed and CM per mile;

2. DS-3: CT, CM fixed, CM per mile and Multiplexing (MUX);

3. SONET Dedicated Ring Service: Central Office and Customer Premises Nodes, Add/Drop Capability, Ports, Mileage, Optical to Electrical DS1 Add/Drop Capability and Regenerators; and

4. Optical Carrier Network Point-to-Point (OCN PTP) Services: Local Distribution Channel, Interoffice Transport, Collocation Transport, Add/Drop Function, Add/Drop Multiplexing, Protection and Regenerators.

Example: DS-1 Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	NV		36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.19 Contract Offer No. 19 – Access Service Offer (Cont'd)

23.19.9 Termination (Cont'd)

(A) Rate Reduction (Cont'd)

During the Term Period, the Customer may request an analysis of the rates applicable to rate elements listed in Section 23.19.9(A) and those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, as of the end of any Term Year. To request such an analysis, the Customer must provide the Qualified Companies with written notice within sixty (60) days after the end of the Term Year to which the request applies. Following such a request, the Qualified Companies shall perform an analysis of the rates applicable to the rate elements listed in Section 23.19.9(A) and to those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, using the same rate elements and quantities as were evaluated in the analysis of the Initial Rates (EOY Rate Analysis). The Initial Rate Analysis will be compared with the EOY Rate Analysis to determine the change, if any, in the rates applicable to Subject and Non-Subject Services.

Example: Comparison of Initial Rate Analysis and EOY Rate Analysis

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	% Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	1000	$300,000	$200,000	
Total	9600	$540,000	$392,000	27%

27% = (1-($392,000/$540,000)) (N)

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(N)

23. Pricing Flexibility Contract Offerings

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer

23.20.1 General Description

DS3 Inter-Office Facility (IOF) Transport Bundle Service Offer is an access discount pricing plan that provides discounts on Monthly Recurring Charges (MRCs) for certain services located in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) listed in Section 23.20.2. Qualified services are listed in Section 23.20.2 and must meet the Eligibility Criteria described in Section 23.20.2. Contract Offer No. 20 is available for subscription from March 3, 2009 to May 31, 2009. This Contract Offer is not renewable.

23.20.2 Eligibility Criteria

(A) This Contract Offer applies to DS3 High Capacity Services, as described in Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Section 7 (Subject Services).

(B) Contract Offer No. 20 applies to Subject Services located in any of the Pricing Flexibility MSAs:

Reno, NV and Non-MSA, NV.

(C) Subject Services must be new installations. Services that were being provided to the Customer by the Telephone Company prior to the Customer's subscription to this Contract Offer are not eligible for this Contract Offer.

(D) This Contract Offer is available only where facilities exist.

(E) Subject Services must originate from a Dedicated SONET Ring Service (DSRS) Ring, or OCN Point–to-Point Service, provided by the Telephone Company, and terminate at either a 3:1 multiplexer in an AT&T Central Office or a DS3 LDC Service Channel at an End User location.

(N)

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(N)

23.Pricing Flexibility Contract Offerings (Cont'd)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont'd)

23.20.2 Eligibility Criteria (Cont'd)

(F) This Contract Offer does not apply to DSRS DS3 ports or DS3 services terminated to collocation.[1]

23.20.3 Terms and Conditions

(A) The Customer shall purchase each Subject Service under a Term Pricing Plan (TPP) (as provided in NBTC Tariff F.C.C. No. 1, Sections 7 and 22) with a term commitment of twelve (12), thirty-six (36), or sixty (60) months (Service Term), to be selected by the Customer. The Service Term for each Subject Service shall begin on the date billing begins for that Subject Service. Upon expiration of the Service Term, the Subject Service(s) shall be provided under the applicable month-to-month rates described in Sections 7 and 22, unless the Customer:

(1) Selects from the TPP options listed in Sections 7 and 22; or

(2) Disconnects the Subject Service(s).

(B) General Terms and Conditions

(1) Subject Services provided under this Contract Offer are subject to certain rates, charges, and general terms and conditions described in Sections 2, 5, and 13, as applicable.

(2) To subscribe to this Contract Offer, Customers must submit a signed Letter of Subscription (LOS) to the Telephone Company.

[1] DSRS services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

(N)

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(N)

23.Pricing Flexibility Contract Offerings (Cont'd)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont'd)

23.20.3 Terms and Conditions (Cont'd)

(A) General Terms and Conditions (Cont'd)

(3) Within sixty (60) days after submitting its signed LOS, the Customer must submit access order(s) pursuant to this Contract Offer and may submit additional access orders to purchase additional Subject Services thereafter, provided, however, that all Subject Services must have an installation completion date on or before Augst 31, 2009. Notwithstanding the foregoing, Subject Services that are ordered no later than July 31, 2009, but are assigned completion dates beyond August 31, 2009, as a result of Telephone Company reasons, shall be eligible for this Contract Offer.

(4) If the Customer discontinues service under Contract Offer No. 20 during the Service Term, or if the Customer breaches any of the Terms and Conditions of this Contract Offer or any other applicable tariff provision, termination liability charges will apply in accordance with Section 23.20.7.

(5) This Contract Offer cannot be combined with any other discount, promotional offering or other pricing flexibility contract offer unless explicitly stated in such other discount plan, promotional offering or pricing flexibility contract offer.

(6) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(7) If the Customer requests additional service, features and functions not included in Section 23.20.4, the Customer will pay the tariff rates as contained in Sections 7 and 22, as applicable.

(N)

ACCESS SERVICE

(N)

23.Pricing Flexibility Contract Offerings (Cont’d)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont’d)

23.20.4 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The Customer must pay the MRCs, listed below, for new DS3 IOF Transport Bundle Service ordered under this Contract Offer. Any rate element not described herein will be subject to the applicable tariff rates provided in Sections 7 and 22.

Generally applicable Non-Recurring Charges (NRCs) shall apply.

DS3 IOF Transport Bundle USOCs

Elements	USOCs	1 Year Term	3 Year Term	5 Year Term
DS3 IOF Channel Mileage (Fixed and Per Mile) with 1 – 15 IOF miles	**1L5XX**	**$650**	**$450**	**$350**
DS3 IOF Channel Mileage (Fixed and Per Mile) with 16 – 25 IOF miles	**1L5XX**	**$800**	**$600**	**$500**

23.20.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B), or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(N)

ACCESS SERVICE

(N)

23.Pricing Flexibility Contract Offerings (Cont'd)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont'd)

23.20.5 Assignment/Transfer/Successors (Cont'd)

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
(2) "high risk" in a Paydex score as published by Dun and Bradstreet.

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available.

(N)

ACCESS SERVICE

23.Pricing Flexibility Contract Offerings (Cont'd) (N)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont'd)

23.20.6 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. (N)

ACCESS SERVICE

(N)

23.Pricing Flexibility Contract Offerings (Cont'd)

23.20 Contract Offer No. 20 – DS3 IOF Transport Bundle Service Offer (Cont'd)

23.20.7 Termination Liability

Subject Services shall be subject to termination liability, as provided in this Contract Offer, in lieu of the termination liability language contained in Section 7 for DS3 Service. If the Customer terminates services before the completion of the Term Period for any reason, or if the Customer breaches any of the Terms and Conditions of this Contract Offer or any other applicable tariff provision, the Customer must pay to the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination, and are payable as described in Section 7. The Customer's termination liability for cancellation of service shall be equal to fifty (50) percent of all MRCs for the balance of the Service Term applicable to the relevant Subject Service(s).

Example: A Customer with a $600 DS3 IOF Transport Bundle MRC terminates service after two (2) years, and has twelve (12) months remaining in a thirty-six (36) month term plan. The termination liability would be calculated as:

$600 X 12 X 50% = $3,600 termination liability charge.

(N)

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings

23.21 Contract Offer No. 21 – Access Service Offer

23.21.1 General Description

(N)
(Nx)

The Special Access Service Offer (Contract Offer No. 21) is a plan for which concurrent subscription is required to this Contract Offer and the following additional contract offers: The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39, Contract Offer No. 43; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 149; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 185; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 162; and BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 62 (the "Concurrently Subscribed Contract Offers"). NBTC, PBTC, SNET, SWBT, Ameritech, and BellSouth are identified herein as the "Qualified Companies."

(Nx)
(N)

Contract Offer No. 21 requires eligible customers to satisfy a Minimum Annual Revenue Commitment (MARC), applicable collectively to all of the Concurrently Subscribed Contract Offers, during each Term Year of the Contract Term. Revenue included in the MARC consists of recurring revenue from all MARC-Eligible Services (as defined in Section 23.21.2 of this Contract Offer) and from MARC-eligible services provided under the other Concurrently Subscribed Contract Offers.

Contract Offer No. 21 will be available for subscription only from March 25, 2009 through April 25, 2009. This Contract Offer is not renewable.

(N)

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.2 MARC-Eligible Services

Revenue included in the MARC under this Contract Offer includes all recurring revenue from all MARC-Eligible Services purchased from the Telephone Company under this Contract Offer. MARC-Eligible Services include both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below. Revenue included in the MARC also includes MARC-eligible services provided pursuant to the other Concurrently Subscribed Contract Offers.

(A) Subject Services

Subject Services are listed in Table A, below. Subject Services are eligible for discounts and other incentives provided under this Contract Offer.

All rates, terms and conditions for Subject Services are governed by the applicable tariff sections, except as noted in this Contract Offer.

Table A – Subject Services

Service Type	Service
Interstate Special Access	Voice Grade
	DS0
	DS1
	DS3
	Switched Access Transport (excluding such service provided by BellSouth Telecommunications, Inc.)
	SONET Xpress
	Shared Transport Network (STN)
	Relianet
	Broadband Circuit Service (BCS)
	SNET SONET Network Service (SSNS)
	Lightgate Services (DS3)
	SMARTGate
	SMARTPath DS1 and DS3
Intrastate Special Access	Equivalent services provided as Interstate Special Access above, subject to the terms and conditions of this Contract Offer

(N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.2 MARC-Eligible Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services are listed in Table B, below. Recurring revenue attributable to Non-Subject Services will be included in the Customer's revenue for purposes of determining and satisfying the Customer's MARC under this Contract Offer, but are not otherwise subject to the rates, Terms and Conditions of this Contract Offer. In particular, but without limitation, Non-Subject Services are not eligible for credits or other incentives provided under this Contract Offer.

Table B – Non-Subject Services

Service Type	Service
Interstate Special Access	OCN (Optical Carrier Network) Point-to-Point
	Dedicated SONET Ring Service (DSRS)
	SONET Ring and Access Service (SRAS)
	GigaMAN (Gigabit Ethernet Metropolitan Area Network)
	Multi-service Optical Network (MON) Ring Service
	OPT-E-MAN (Optical Ethernet Metropolitan Area Network)
	DecaMAN (10 Gigabit Ethernet Metropolitan Area Network)
	WaveMAN (Wavelength Metropolitan Area Network)
	Serial Component Video Service (SCVS)
	AVS 270 Video Service
	SMARTRing Services
	Lightgate Services - OCN
	Metro Ethernet Services
	Wavelength Services
Intrastate Special Access	Equivalent services provided as Interstate Special Access above, subject to the terms and conditions of this Agreement.

(N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.3 Eligibility Criteria

The Customer must satisfy the following Eligibility Criteria to qualify for this Contract Offer:

(A) Contract Offer No. 21 is available for special access services for which the Telephone Company has been granted pricing flexibility, and which are located in MSAs for which the Telephone Company has been granted pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22. During the Term Period (as defined in Section 23.21.4(B)), if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the calculation of credits under this Contract Offer.

(B) The MARC-Eligible Services must be located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory); (N)

(C) The Customer must concurrently subscribe to this Contract Offer and the following additional contract offers: (Nx)

- SNET Tariff F.C.C. No. 39, Contract Offer No. 43;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 149;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 185;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 162; and
- BellSouth Tariff F.C.C No. 1, Contract Offer No. 62. (Nx)

23.21.4 Terms and Conditions (N)

The following Terms and Conditions apply to this Contract Offer No. 21:

(A) Subscription
To subscribe to Contract Offer No. 21, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS must list all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer ("Eligible ACNAs"). Services ordered or purchased under ACNAs that are not Eligible ACNAs may not be transferred to, or converted to, or otherwise included in this Contract Offer. (N)

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.4 Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer ("Term Period") shall begin on the date the Letter of Subscription (LOS) is received from the Customer ("Effective Date"), and shall end on December 31, 2012. Upon expiration or termination of this Contract Offer, the Telephone Company will issue to the Customer all credits earned under this Contract Offer prior to the effective date of such termination or expiration, provided that the Customer has complied with all relevant Terms and Conditions of this Contract Offer through the effective date of the termination or expiration, except as provided to the contrary in Section 23.21.9. Following termination or expiration of this Contract Offer, all credits provided under this Contract Offer will cease, and will no longer apply to any services provided by Telephone Company during or after the Term Period of this Contract Offer regardless of any applicable Service Term.

(C) The Customer agrees to a Minimum Annual Revenue Commitment (MARC) of $145,000,000. Revenue contributing to the satisfaction of the MARC will include, in the aggregate, recurring revenue for MARC-Eligible Services, as defined in Section 23.21.2 of this Contract Offer, and MARC-eligible services, as defined in the other Concurrently Subscribed Contract Offers listed in Section 23.21.3(D). The MARC shall apply during each Term Year of this Contract Offer.

(D) Credits earned by the Customer under this Contract Offer No. 21 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 23.21.6(A), below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(E) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. Tariff No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 21.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd) (N)

23.21.4 Terms and Conditions (Cont'd)

(F) This Contract Offer No. 21 is available March 25, 2009 through April 25, 2009.

(G) Subject Services may not be purchased pursuant to: (i)any discount or credit plans or offerings based on revenue or purchase volume commitments; (ii) any pricing flexibility contract offers; or (iii) any of the following: Managed Value Plan (MVP) Ameritech Tariff FCC 2 Section 19, SWBT Tariff FCC 73 Section 38, and PBTC Tariff FCC 1 Section 23; Area Commitment Plan (ACP) BellSouth Tariff FCC 1 Section 2.4.8 (B); Transport Advantage Plan (TAP) BellSouth Tariff FCC 1 Section 2.4.8 (H); and Fast Packet Savings Plan (FSP) BellSouth Tariff FCC 1 Section 2.4.8 (F), unless such other offering expressly (i) refers to this Contract Offer, and (ii) permits the application of such incentives, credit or discount, provided, however, that the Customer may purchase Subject Services pursuant to generally available tariffed term pricing plans, excluding those listed above. (N) (Nx) (Nx) (N)

(H) The Customer must pay all billed charges in full when they become due, excluding amounts properly disputed. The Telephone Company will provide the Customer written notice of any non-compliance. The Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer fails to comply, such failure shall be deemed to be a material breach of this Contract Offer and the Contract Offer will be terminated. Termination liabilities as described in Section 23.21.9, below, will apply. Credits to be provided under this Contract Offer will not be issued unless and until the Customer has paid all billed charges, excluding amounts properly disputed, and unless the Customer is otherwise in material compliance with this Contract Offer.

(N)

(x) Issued under the authority of Special Permission No. 09-004 of the F.C.C.

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.5 Minimum Annual Revenue Commitment (MARC)

(A) Satisfaction of the MARC

Satisfaction of the MARC shall be determined according to the recurring revenue attributable to: (i) MARC-Eligible Services (defined in Section 23.21.2), as billed by the Telephone Company, plus any Shortfall Amounts paid by the Customer and applicable to the year to which the Shortfall Amount applies, as provided in Section 23.21.6(F), and (ii) MARC-eligible services, as defined in the other Concurrently Subscribed Contract Offers, plus any applicable true-up amounts provided for therein. To be included, recurring revenue must be billed under the Eligible ACNAs. For clarification, but not by way of limitation, the MARC shall exclude non-recurring charges, usage-based charges, temporary service charges, Unbundled Network Element ("UNE") charges and charges for Switched Access Dedicated Transport purchased from BellSouth. Services included in the MARC shall include both services ordered prior to the date upon which the Customer subscribes to this Contract Offer, and services ordered during the Term Period.

(B) Monthly and Annual Review of MARC Revenue

AT&T will review revenues for MARC-Eligible Services within thirty (30) days after the end of each month during the Term Period (a "Monthly Review"), and within thirty (30) days after the end of each Term Year ("Annual Review").

23.21.6 Billing and Credits

(A) Monthly Credits

For each month of the Contract Term, the Customer may be eligible for a Monthly MARC Credit under this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly MARC Credits" or "MMC").

The Telephone Company will issue MMC to the Customer for any month during the Contract Term for which MARC-Eligible Revenue is at least one-twelfth of the MARC (the "Monthly MARC"), to be determined according to the Monthly Review. The Telephone Company will apply the MMC to the Customer's bill no later than sixty (60) days from the last bill period, or from the end of month in which it was achieved.

(N)

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.6 Billing and Credits (Cont'd)

(A) Monthly Credits (Cont'd)

The aggregate amounts of Monthly MARC Credits under this Contract Offer and the other Concurrently Subscribed Contract Offers shall be as provided in Table C. The Monthly Credits shall be divided among this Contract Offer and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-Eligible Services under this Contract Offer and the MARC-eligible services in each of the other Concurrently Subscribed Contract Offers. Credits shall not be posted if the Customer is in material breach of this Contract Offer, or in material breach of the terms and conditions governing the Subject Services including without limitation failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer.

Table C:

Term Year	Monthly MARC Credit (MMC)
Year 1	$666,667
Year 2	$666,667
Year 3	$666,667
Year 4	$666,667

(B) Annual True-Up

(i) If, based on the Annual Review, the Customer's MARC Eligible Revenue for a Term Year is equal to or greater than the MARC, the Telephone Company will issue to the Customer any MMC not previously issued as a result of Customer's failure to meet the Monthly MARC during any month of that Term Year.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.6 Billing and Credits (Cont'd)

(B) Annual True-Up (Cont'd)

(ii) If, based on the Annual Review, the Customer's MARC-Eligible Revenue for a Term Year is less than the MARC, the Telephone Company shall bill, and the Customer shall pay, the difference between the Customer's MARC-Eligible Revenue and the MARC for that Term Year (a "Shortfall Amount"). The Telephone Company will bill the Shortfall Amount, which will be applied to the Customer's billings for Subject Services, within sixty (60) days after the end of the applicable Term Year. Payment of the Shortfall Amount will satisfy the Customer's MARC obligation for the year to which the Shortfall Amount applies. Upon payment of any applicable Shortfall Amount, the Telephone Company shall issue to the Customer any credits for that year, provided the Customer is otherwise in compliance with the Terms and Conditions of this Contract Offer.

23.21.7 Assignment/Transfer/Successors

Neither party shall assign or otherwise transfer this Contract Offer, or its rights or obligations hereunder, to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that either party shall have the right, without the consent of but with notice to the other party, to assign or otherwise transfer this Contract Offer to any person or entity that controls, is under the control of, or is under common control with the assigning party. Further, the Telephone Company may also, without Customer's consent, assign its rights and obligations under this Contract Offer to an affiliate, or subcontract to an affiliate or a third party work to be performed under this Contract Offer. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision, shall be void. (N)

ACCESS SERVICE

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.21 Contract Offer No. 21 – Access Service Offer (Cont'd)

23.21.8 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

23.21.9 Termination

Termination Liability Charge

If, prior to the completion of the Contract Term, the Customer terminates this Contract Offer for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates this Contract Offer as a result of a material breach by the Customer, the Customer must pay a termination liability charge in the amount of:

One-twelfth (1/12) of the MARC in effect at the time of termination (rounded up to the nearest hundred dollars) multiplied by the number of months remaining in the Contract Term, multiplied by six percent (6%); and

Fifty percent (50%) of all MMC issued during the twelve (12) months prior to termination of this Contract Offer.

Any credits earned, but not paid, at the time of termination will not be paid to the Customer.

Upon termination of this Contract Offer, Subject Services shall be provided at the rates provided in Section 4, above, unless they are disconnected.

(N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings

23.22 Contract Offering No. 22 – Access Advantage Plus Transport Service Extension

23.22.1 General Description

Contract Offer No. 22 – Access Advantage Plus Transport Service Extension is an access discount offer that provides the Customer, located in the Metropolitan Statistical Areas listed Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Section 22, with rates listed in Section 23.22.5 for Access Advantage Plus Transport Service. The Customer must meet the Eligibility Criteria and all Terms and Conditions listed in Section 23.22.3 and 23.22.4.

23.22.2 Service Qualifications

Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 Service. AA+ Transport Service provides the Customer with a DS1 Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Multiplexer Cross Connections (MCC), as described below.

(A) An AA+ Transport Service Node is a Telephone Company hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Multiplexer Cross Connections, which are described in Section 7.11.4(B)(8).

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements: (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.22 Contract Offering No. 22 – Access Advantage Plus Transport Service Extension (Cont'd)

23.22.2 Service Qualifications (Cont'd)

(B) (Cont'd)

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

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 326 Kbps of capacity.

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

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

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

23.22.1 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) Services must be in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in PBTC Tariff F.C.C. No. 1, Section 22. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 22, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

(B) Customer must have an existing Access Advantage Plus Transport Service.

23.22.4 Contract Terms

(A) Contract Offering No. 22 is available for subscription from December 15, 2009 to March 15, 2009

(B) In order to subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.22 Contract Offering No. 22 – Access Advantage Plus Transport Service Extension (Cont'd)

23.22.4 Contract Terms (Cont'd)

(C) NBTC Tariff F.C.C. No. 1, Sections 2, 4, 5, and 13 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's Contract Term, other than to provisions noted below, apply to Contract Offering No. 22.

(1) Waiver of Non-Recurring Charges – The Telephone Company shall waive any otherwise applicable Non-Recurring Charge (NRC) for services provided under this Contract Offer.

(2) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus services that are cross connected to AA+ Transport Service, including Integrated Voice Access Lines and Integrated Voice Access Trunks associated with DTS-E Module 4, as well as other DTS-E switched services associated with Modules 1, 2, and 3.

(3) The Telephone Company shall waive termination liability charges that would otherwise apply to customers currently subscribed to the Access Advantage Plus Transport Service Contract Offers in the NBTC Tariff F.C.C. No. 1, Section 23, as a result of the migration of existing Services from the currently subscribed Contract Offer to this Contract Offer. (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.22 Contract Offering No. 22 – Access Advantage Plus Transport Service Extension (Cont'd)

23.22.4 Contract Terms (Cont'd)

(D) The Contract Term shall be twelve (12) months commencing on the date Telephone Company received the signed (LOS) from the Customer. This Contract Term is not renewable.

(E) Rates described in Section 23.22.5 shall apply during the Contract Term.

(F) No other discount pricing plans apply.

(G) A minimum of four (4) existing DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's Intrastate Access Advantage Plus services, and will be maintained during the Contract Term. These services may include Integrated Voice Access Lines and Integrated Voice Access Trunks associated with Digital Transport Service Enhanced (DTS-E) Module 4 (Access Advantage Plus), as well as other DTS-E switched services associated with Modules 1, 2, and 3. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the Contract Term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 22 terminated.

(H) Service will utilize the pre-existing configuration which includes the same AA+ Transport Service Node.

(I) The AA+ Transport Service Customer will utilize the same channel assignments, which include:

(1) The DS0 channel assignments which connect AA+ Transport Service via Multiplexer Cross Connections to the DS0 channels derived from other multiplexed high capacity service arrangements.
(2) The consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 23.22.2 (B). (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.22 Contract Offering No. 22 – Access Advantage Plus Transport Service Extension (Cont'd)

23.22.5 Rate Regulations

(A) Rates and Charges

The Monthly Recurring Charge for Services provided under this Contract Offer are described below in Table A.

Table A

MRC	CRIS USOC	CABS USOC
$200.00	DZS1P	1ZZPZ

23.22.6 Termination Liability

If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 22 prior to the expiration of the Contract Term, the Customer shall incur a termination charge. The termination charge for Contract Offering No. 22 is fifty (50) percent of the remaining monthly rate payments due for the balance of the Contract Term. The termination charge is calculated as follows:

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

The Customer may elect to discontinue Contract Offering No. 22 at any time prior to the expiration of the initial Contract Term, without incurring the termination charges, provided that it meet the following criteria. Customer must provide the Telephone Company with written notice of its intent to terminate service no later than thirty (30) days before termination to become effective.

(A) The Customer establishes a new interstate special access service of equal or greater capacity,

(B) The new service is provided to the same end user's premises to which Contract Offering No. 22 was provided,

(C) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 22, and

(D) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 22. (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings

23.23 Contract Offering No. 23 – Access Advantage Plus Transport Service Extension

23.23.1 General Description

Contract Offer No. 23 – Access Advantage Plus Transport Service Extension is an access discount offer that provides the Customer, located in the Metropolitan Statistical Areas listed Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Section 22, with rates listed in Section 23.23.5 for Access Advantage Plus Transport Service. The Customer must meet the Eligibility Criteria and all Terms and Conditions listed in Section 23.23.3 and 23.23.4.

23.23.2 Service Qualifications

Access Advantage Plus (AA+) Transport Service is a dedicated transport service arrangement that integrates an end user's network access connections for multiple voice, data and other special access services onto a single interstate DS1 Service. AA+ Transport Service provides the Customer with a DS1 Service between an end user's designated premises and an AA+ Transport Service Node, DS1-to-DS0 multiplexing and Multiplexer Cross Connections (MCC), as described below.

(A) An AA+ Transport Service Node is a Telephone Company hubbing office in which digital DS1-to-DS0 multiplexing is provided through a Digital Cross Connect System (DCS) to derive twenty-four (24) DS0 level channels (64 Kbps per channel). AA+ Transport Service DS0 channels are digitally cross connected at the AA+ Transport Service Node to the DS0 channels derived from other multiplexed high capacity service arrangements via Multiplexer Cross Connections, which are described in Section 7.11.4(B)(8).

(B) The DS0 channels derived from an AA+ Transport Service may be cross connected on an individual channel basis, as well as by Bonded Channel Group. Any combination of the Bonded Channel Groups listed below and individual DS0 channels may be cross connected, but the total number of DS0 channel cross connects per AA+ Transport Service cannot exceed twenty-four (24). A Bonded Channel Group consists of consecutively assigned DS0 channels configured to provide the following capacity arrangements: (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.23 Contract Offering No. 23 – Access Advantage Plus Transport Service Extension (Cont'd)

23.23.2 Service Qualifications (Cont'd)

(B) (Cont'd)

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

(2) Bonded Channel Group 4 – Four (4) consecutively assigned DS0 channels configured to provide 326 Kbps of capacity.

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

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

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

23.23.3 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

(A) Services must be in the pricing flexibility Metropolitan Statistical Areas (MSAs) as listed in PBTC Tariff F.C.C. No. 1, Section 22. If, during the Term Period, the Telephone Company receives pricing flexibility relief in additional MSAs, as listed in Section 22, the Customer may be able to include services provided under this Contract Offer, if available, in those additional MSAs pursuant to this Contract Offer.

(B) Customer must have an existing Access Advantage Plus Transport Service.

23.23.4 Contract Terms

(A) Contract Offering No. 23 is available for subscription from March 16, 2010 to June 15, 2010.

(B) In order to subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company. (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.23 Contract Offering No. 23 – Access Advantage Plus Transport Service Extension (Cont'd)

23.23.4 Contract Terms (Cont'd)

(C) NBTC Tariff F.C.C. No. 1, Sections 2, 4, 5, and 13 apply, except as noted herein. Any changes made to the aforementioned sections during the Customer's Contract Term, other than to provisions noted below, apply to Contract Offering No. 23.

(1) Waiver of Non-Recurring Charges – The Telephone Company shall waive any otherwise applicable Non-Recurring Charge (NRC) for services provided under this Contract Offer.

(2) End User Common Line (EUCL) charges set forth in Section 4 apply to any intrastate Access Advantage Plus services that are cross connected to AA+ Transport Service, including Integrated Voice Access Lines and Integrated Voice Access Trunks associated with DTS-E Module 4, as well as other DTS-E switched services associated with Modules 1, 2, and 3.

(3) The Telephone Company shall waive termination liability charges that would otherwise apply to customers currently subscribed to the Access Advantage Plus Transport Service Contract Offers in the NBTC Tariff F.C.C. No. 1, Section 23, as a result of the migration of existing Services from the currently subscribed Contract Offer to this Contract Offer. (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.23 Contract Offering No. 23 – Access Advantage Plus Transport Service Extension (Cont'd)

23.23.4 Contract Terms (Cont'd)

(D) The Contract Term shall be twelve (12) months commencing on the date Telephone Company received the signed (LOS) from the Customer. This Contract Term is not renewable.

(E) Rates described in Section 23.23.5 shall apply during the Contract Term.

(F) No other discount pricing plans apply.

(G) A minimum of four (4) existing DS0 channels in an AA+ Transport Service will be connected to any of the Telephone Company's Intrastate Access Advantage Plus services, and will be maintained during the Contract Term. These services may include Integrated Voice Access Lines and Integrated Voice Access Trunks associated with Digital Transport Service Enhanced (DTS-E) Module 4 (Access Advantage Plus), as well as other DTS-E switched services associated with Modules 1, 2, and 3. If the Customer has fewer than four (4) DS0 channels cross connected to the above-mentioned intrastate Access Advantage Plus services at any time during the Contract Term, the Customer will have thirty (30) days from notification by the Telephone Company to connect the additional intrastate Access Advantage Plus services needed to meet the four (4) DS0 channel minimum. If the Customer fails to connect the additional services during the thirty (30) day period following notification, the Telephone Company considers Contract Offering No. 23 terminated.

(H) Service will utilize the pre-existing configuration which includes the same AA+ Transport Service Node.

(I) The AA+ Transport Service Customer will utilize the same channel assignments, which include:

(1) The DS0 channel assignments which connect AA+ Transport Service via Multiplexer Cross Connections to the DS0 channels derived from other multiplexed high capacity service arrangements.
(2) The consecutive DS0 channel assignments for the Bonded Channel Group configurations reflected in Section 23.23.2 (B). (N)

ACCESS SERVICE (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.23 Contract Offering No. 23 – Access Advantage Plus Transport Service Extension (Cont'd)

23.23.5 Rate Regulations

(A) Rates and Charges

The Monthly Recurring Charge for Services provided under this Contract Offer are described below in Table A.

Table A

MRC	CRIS USOC	CABS USOC
$200.00	DZS1P	1ZZPZ

23.23.6 Termination Liability

If the Customer discontinues AA+ Transport Service purchased under Contract Offering No. 23 prior to the expiration of the Contract Term, the Customer shall incur a termination charge. The termination charge for Contract Offering No. 23 is fifty (50) percent of the remaining monthly rate payments due for the balance of the Contract Term. The termination charge is calculated as follows:

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

The Customer may elect to discontinue Contract Offering No. 23 at any time prior to the expiration of the initial Contract Term, without incurring the termination charges, provided that it meet the following criteria. Customer must provide the Telephone Company with written notice of its intent to terminate service no later than thirty (30) days before termination to become effective.

(A) The Customer establishes a new interstate special access service of equal or greater capacity,

(B) The new service is provided to the same end user's premises to which Contract Offering No. 23 was provided,

(C) The new service has a contract term that exceeds the time remaining in the Customer's initial contract term for Contract Offering No. 23, and

(D) The revenue value of the new service over the life of its contract term exceeds the revenue value associated with the time period remaining in the Customer's initial contract term for Contract Offering No. 23. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.24 Contract Offer No. 24 – Access Service Offer

23.24.1 General Description

The Special Access Service Offer (Contract Offer No. 24) is a Minimum Annual Revenue Commitment plan for which (N) concurrent subscription is required to this Contract (Nx) Offer and the following Access Tariffs: The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 49; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 Contract Offer No. 170; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 155; BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 72, and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 194 (collectively, with this Contract Offer No. 24, Concurrently Subscribed Contract Offers). SWBT, SNET, PBTC, BellSouth and Ameritech, with the Telephone Company, shall be identified herein as the "Qualified Companies." (Nx)

(N) Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 24 requires eligible Customers to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 23.24.5. The MARC consists of certain recurring revenues from, in the aggregate, all MARC-eligible services purchased from Nevada Bell Telephone Company ("NBTC" or "Telephone Company"), as defined and provided in this Contract Offer No. 24, and the MARC-eligible services as defined and provided in the other Concurrently Subscribed Contract Offers described in Section 23.24.3(C).

MARC-eligible services provided by the Telephone Company are described in Section 23.24.2, with the Subject Services set forth in Section 23.24.2(A), and Non-Subject Services set forth in Section 23.24.2(B).

Contract Offer No. 24 will be available for subscription only from November 11, 2010 through December 11, 2010. This offer is not renewable.

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.2 Subject and Non-Subject Services

MARC-eligible services under this Contract Offer No. 24 consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory) except that in no event shall any services connecting to the Customer's or any of its Affiliate's cell sites, mobile telecommunications switching offices (MTSOs), or mobile switching centers (MSCs) be considered MARC-eligible services.

(A) Subject Services

Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below.

Table A – Subject Services

Category	**Services Included**
Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs)	DS1, DS3, Broadband Circuit Service (BCS) , except for any rate elements not subject to pricing flexibility

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.2 Subject and Non-Subject Services (Cont'd)

(B) Non-Subject Services
Non-Subject Services are listed in Table B, below.

Table B – Non-Subject Services

Category	Services Included
Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief.	DS1, DS3, Synchronous Broadband Circuit Service (BCS) and rate elements not listed in Table A
Broadband Interstate Special Access	[1] Optical Carrier Network (OCN) Point to Point, Dedicated SONET Ring Service (DSRS), Multi-Service Optical Network (MON) Ring Service, GigaMAN,® DecaMAN® and Opt-E-MAN[1] Services, Serial Component Video Service (SCVS), AVS 270 Video Service, HDTV
Intrastate Special Access	Intrastate services equivalent to the interstate services listed above as either Subject Services or Non-Subject Services

(C) All terms and conditions for those MARC-eligible services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer No. 24. All terms and conditions for those MARC-eligible services that are not tariffed are governed by the applicable guidebooks, service guides or contracts. No service purchased by or on behalf of any Affiliate of Customer that is not a "Permitted Affiliate," as defined herein, and no service purchased by Customer, or any of its Permitted Affiliates, for its provision of wireless telecommunications services, shall constitute a Subject Service or Non-Subject Service under this Contract Offer. A "Permitted Affiliate," as that phrase is used in this Contract Offer, is an Affiliate of Customer that is identified by Customer on its LOS under this Contract Offer. "Affiliate" is defined herein as set forth in the Communications Act of 1934, as amended. "Wireless telecommunications services" is defined as set forth in 47 CFR § 1.907.

[1] Interstate OCN PTP, DSRS, MON, GigaMAN,® DecaMAN,® and Opt-E-MAN® services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.2 Subject and Non-Subject Services (Cont'd)

(D) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are provided by the Qualified Companies and were not available as of the effective date of this Contract Offer No. 24.

23.24.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 24:

(A) Contract Offer No. 24 is available for qualified special access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22 and those additional MSA's listed below. During the Term Period of this Contract Offer No. 24, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 24.

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(B) During the twelve (12) months prior to the Subscription Date, the Customer must have purchased services equivalent to those included among the Subject Services and Non-Subject Services under this Contract Offer, which services must have resulted in charges equivalent to those included in MARC-Eligible Charges under this Contract Offer (as defined in Section 23.24.4(C), below) during those twelve (12) months equal to no less than $800 million. (N)

(C) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers: (Nx)

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 24;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 155;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 170;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 194;
- BellSouth Tariff F.C.C. No. 1, Contract Offer No. 72; and
- SNET Tariff F.C.C. No. 39, Contract Offer No. 49. (Nx)

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.3 Eligibility Criteria (Cont'd)

(D) As of the time of the Customer's subscription to this Contract Offer, the Customer may not be purchasing interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers or any contract offer that will be terminated upon the Customer's subscription to Concurrently Subscribed Contract Offers.

23.24.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 24:

(A) Subscription.

To subscribe to Contract Offer No. 24, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all applicable and qualifying Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 24 for itself and its Permitted Affiliates (hereafter referred to as "Eligible ACNAs"). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 24. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.4 Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer No. 24 (Term Period) shall begin on the date the Letter of Subscription (LOS) is signed by the last of the Customer and the Telephone Company (Subscription Date) and shall end on June 30, 2014, subject to extensions as provided in this Section 23.24.4(B). Term Year 1 shall begin on the Subscription Date and end on June 30, 2011, and shall consist of three quarters (from the Subscription Date to December 31, 2010; from January 1, 2011 to March 31, 2011; and from April 1, 2011 to June 30, 2011). Each subsequent Term Year shall consist of a period of twelve (12) consecutive months, beginning July 1st after the end of the previous Term Year.

The Term Period will be extended at the Customer's option by up to two (2) consecutive one-year extension periods if the Customer provides to the Telephone Company written notice of intent to extend this Contract Offer No. 24 for such an extension period, at least ninety (90) days prior to June 30, 2014, or with respect to the second extension, at least ninety (90) days prior to June 30, 2015. If the Customer fails to provide such notice, the Term Period ends on June 30, 2014, or after the first extension period on June 30, 2015, as applicable. The extension, if any, must apply to all of the Concurrently Subscribed Contract Offers. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.4 Terms and Conditions (Cont'd)

(C) The Customer must satisfy a MARC, as described in 23.24.5(A), for each Term Year of this Contract Offer No. 24. The MARC shall be satisfied by gross billed recurring revenue, after application of any discounts or credits applicable to those recurring (N) revenues (except Area Commitment Plan credits under (Nx) the BellSouth Tariff F.C.C. No. 1, and those issued (Nx) under this Contract Offer No. 24 and the other (N) Concurrently Subscribed Contract Offers), as well as adjustments for overbilling, underbilling and billing dispute settlements addressed during the Annual True-up Process only for, in the aggregate, the MARC-eligible services, as set forth in Section 23.24.2 of this Contract Offer No. 24, and the MARC-eligible services, as similarly set forth in the other Concurrently Subscribed Contract Offers, which are purchased by and billed to Customer and its Permitted Affiliates (as each exists as of July 1, 2010) (or their permitted successors) under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). The MARC-eligible services, as set forth in Section 23.24.2 of this Contract Offer No. 24, and the MARC-eligible services as similarly set forth in the other Concurrently Subscribed Contract Offers, are collectively referred as the "MARC-Eligible Services." The Customer's MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. A "permitted successor" is a successor-in-interest to the Customer or a Permitted Affiliate that is itself an Affiliate of Customer, provided, however, that charges for MARC-eligible services, as set forth in Section 23.24.2 of this Contract Offer No. 24, and charges for MARC-eligible services, as similarly set forth in the other Concurrently Subscribed Contract Offers, shall only be considered MARC-Eligible Charges to the extent that they would have prior to the transaction that resulted in such permitted successor.

(D) Credits earned by the Customer under this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 23.24.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers. (N)

(x) Issued under Authority of Special Permission No. 10-025 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.4 Terms and Conditions (Cont'd)

(E) Except as provided in Section 23.24.4(F), with respect to Contract Offer No. 19, credits earned under this Contract Offer No. 24 are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's generally applicable tariffs or other Contract Tariffs.

(F) MARC-Eligible Services under this Contract Offer No. 24 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed. If, as of the Effective Date of this Contract Offer, the Customer purchases services subject to NBTC Tariff F.C.C. No. 1, Contract Offer No. 19 (Prior Contract Offer), the Prior Contract Offer shall be terminated, without termination liability, simultaneously with the Customer's subscription to this Contract Offer and the Customer will therefore be permitted to subscribe to this Contract Offer.

(G) Purchase of Long Distance Voice Services:

The Customer must commit to purchasing, between August 1, 2010 and July 31, 2012, a single TDM–based long distance voice service and/or a single IP-based long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet,[1] representing aggregate recurring billed revenues of no less than $85 million over such two-year period, after applicable discounts, credits, and adjustments.

[1]ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/ (N)

(This page filed under Transmittal No. 212)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.4 Terms and Conditions (Cont'd)

(H) Credits to be provided under this Contract Offer No. 24 will not be issued unless and until the Customer has paid all billed charges for MARC-Eligible Services due and owing as of the date the credits are issued (excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer.

(I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13- Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 24.

(J) Commingling (as defined in NBTC Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 24 is prohibited.

23.24.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment
The Customer must satisfy a MARC for each Term Year, as set forth in Table C, below, to be satisfied by MARC-Eligible Charges.

Table C

Term Year	**Minimum Annual Revenue Commitment**
Year 1	$491,166,666
Year 2	$846,000,000
Year 3	$848,000,000
Year 4	$848,000,000
Year 5 - First Optional Extension	$848,000,000
Year 6 - Second Optional Extension	$848,000,000

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.5 Minimum Annual Revenue Commitment (MARC)

(B) MARC Calculations

Satisfaction of the MARC shall be determined according to MARC-Eligible Charges (defined in Section 23.24.4(C)). MARC-Eligible Charges include charges for MARC-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(C) Failure to Satisfy the MARC

If the Customer fails to satisfy the MARC or a year-to-date pro-rated quarterly MARC, as the case may be, as determined in the Quarterly True-Up Process or the Annual True-Up Process, the Qualified Companies shall bill and the Customer shall pay the amount of the Quarterly Shortfall or Annual Shortfall (collectively "Shortfalls"), as applicable, as provided in Sections 23.24.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for MARC-Eligible Charges under those contract offers. Customer and the Qualified Companies shall attempt in good faith to complete the processes contemplated in the Quarterly True-Up and Annual True-Up, including making any payments or applying any credits resulting there from within ninety (90) days from the end of the respective quarterly period or Term Year.

(D) If Qualified Companies sell or dispose of more than one percent (1%) of their assets, or if the Customer sells or disposes of more than one percent (1%) of its assets used in purchasing services required to achieve any MARC, and any such sale or disposal materially impairs the Customer's ability to satisfy any MARC, the parties shall negotiate in good faith one or more replacement contract offers to reflect the impairment of such sale or disposal on Customer's ability to satisfy the affected MARC(s) and implement corresponding proportional reductions of the MARC(s) and Monthly MARC Credits (MMC). (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.6 Discounts and Other Credits

(A) Monthly Credits

For each month of a Term Year, the Customer is eligible for a single Monthly MARC credit under, collectively, this Contract Offer and the other Concurrently Subscribed Contract Offers (Monthly MARC Credits or MMCs).

The Qualified Companies will issue an MMC to the Customer for any month during a Term Year in which the Customer satisfies one-twelfth (1/12) of the MARC for that Term Year (Monthly MARC). If the Customer has not met the Monthly MARC, no credit will be given at that time, but Customer remains eligible to receive such MMCs at a later date in conjunction with the Quarterly and Annual True-Up processes as noted below.

The aggregate amount of Monthly MARC Credits for a Term Year under this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers shall be as provided in Table D, below. The Monthly Credits shall be divided among this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-Eligible Charges. The Telephone Company will apply the portion of the MMC associated with this Contract Offer No. 24 to the Customer's bill no later than sixty (60) days from the end of the month in which the Monthly MARC was achieved. MMCs will be allocated among the Qualified Companies according to the amounts of revenue attributable to Subject Services and billed by the Qualified Companies during the relevant month.

MMCs shall not be posted if the Customer is in material breach of this Contract Offer No. 24 or another Concurrently Subscribed Contract Offer, or in material breach of any other terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.6 Discounts and Other Credits (Cont'd)

(A) Monthly Credits (Cont'd)

Table D –

Term Year	Monthly MARC Credit (MMC)
Year 1	$6,000,000
Year 2	$6,000,000
Year 3	$6,000,000
Year 4	$6,000,000
Year 5 - First Optional Extension	$6,000,000
Year 6 - Second Optional Extension	$6,000,000

B) Quarterly True-up Process

(1) The Qualified Companies shall perform a MARC true-up calculation following each of the first three quarters of each Term Year of this Contract Offer No.24 and the other Concurrently Subscribed Contract Offers (Quarterly True-up Process), provided that the Term Year 1 shall have such quarterly true-ups only for the first two of its three quarters. To perform such calculations, the Qualified Companies shall determine the Customer's aggregate MARC-Eligible Charges for the completed quarters of the Term Year, plus any Quarterly Shortfall(s) (defined in Section 23.24.6(B)(2) and analogous provisions of the other Concurrently Subscribed Contract Offers) previously paid by the Customer under this Contract Offer No. 24 and any of the other Concurrently Subscribed Contract Offers for the completed quarters of that Term Year (collectively, Year-to-Date Revenue), and shall compare that amount to the year-to-date pro-rated MARC, which shall be defined as the product of one-fourth of the MARC times the number of quarters included in each Quarterly True-up Process (Year-to-Date MARC), provided, however, that the pro-rated MARC attributable to each of the quarters of Term Year 1 shall be the product of one-third of the Term Year 1 MARC times the number of quarters included in the Term Year 1 Quarterly True-Up Process. Subsequent quarters will begin every three months thereafter, for the remainder of the Term Period. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.6 Discounts and Other Credits (Cont'd)

B) Quarterly True-up Process (Cont'd)

(2) If, based on the Quarterly True-up Process, the Year-to-Date Revenue is less than the Year-to-Date MARC, the Qualified Companies will bill and the Customer will pay the amount equal to the difference between the Year-to-Date MARC and the Year-to-Date Revenue (Quarterly Shortfall). Any Quarterly Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant quarter. Upon payment of the Quarterly Shortfall, the Telephone Company shall issue (i) any MMC not previously issued for any month included in that Quarterly Review, and (ii) the MMC for the last month of that quarter. In lieu of making payment of the Quarterly Shortfall and subsequently receiving any MMCs due under this Section for that same quarter, Customer shall be entitled to have such amounts be netted such that if the Quarterly Shortfall exceeds the amount of any such MMCs, Customer pays a net Quarterly Shortfall equal to the net amount of such difference, or if the Quarterly Shortfall is less than the amount of any such MMCs, Customer makes no Quarterly Shortfall payment but rather receives net MMCs that reflect the net amount of such difference.

(3) If, based on the Quarterly True-up Process, the Customer's Year-to-Date Revenue is equal to or greater than the Year-to-Date MARC, the Telephone Company shall issue to the Customer any MMC(s) not previously issued for any month included in that Quarterly True-up Process due to Customer's failure to meet the Monthly MARC. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.6 Discounts and Other Credits (Cont'd)

(C) Annual True-up Process

(1) If, at the end of a Term Year, the Customer's MARC-Eligible Charges (ignoring any Quarterly Shortfall(s) previously paid by the Customer for that Term Year) are equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit for any Quarterly Shortfall(s) previously paid by the Customer for that Term Year (Reversing Credit), and shall issue to the Customer (i) any MMC(s) not previously issued for any month included in that Term Year, and (ii) the MMC for the last month of that Term Year. The Customer's MARC-Eligible Charges shall be adjusted by the net amount of only those billing adjustments for overbilling, underbilling, and billing dispute settlements during that Term Year that both: (i) are not already reflected in the MARC-Eligible Charge calculation via monthly recurring charge billing, and (ii) exceed, either individually or in the aggregate for a group of related adjustments, one million dollars ($1,000,000).

(2) If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid for that Term Year is less than the MARC for that Term Year, the Qualified Companies shall bill, and the Customer shall pay, an amount equal to the difference between (a) the MARC, and (b) the Customer's MARC-Eligible Charges plus any shortfall(s) paid for that Term Year (Annual Shortfall). Any Annual Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Upon payment of the Annual Shortfall, the Telephone Company shall issue to the Customer (i) any MMC not previously issued for any month included in that Term Year, and (ii) the MMC for the last month of that Term Year. In lieu of making payment of the Annual Shortfall and subsequently receiving any MMCs due under this Section for that Term Year, Customer shall be entitled to have such amounts be netted such that if the Annual Shortfall exceeds the amount of any such MMCs, Customer pays a net Annual Shortfall equal to the net amount of such difference, or if the Annual Shortfall is less than the amount of any such MMCs, Customer makes no Annual Shortfall payment but rather receives net MMCs that reflect the net amount of such difference. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.6 Discounts and Other Credits (Cont'd)

(C) Annual True-up Process (Cont'd)

(3) If at the end of a Term Year, (a) the Customer's MARC-Eligible Charges are less than the MARC for that Term Year, but (b) the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid by the Customer under this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers for that Term Year are greater than the MARC for that Term Year, then the Qualified Companies will issue a credit for the difference between (c) the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) for that Term Year, less (d) the MARC for that Term Year (Partially Reversing Credit). Any such credits will be allocated among the Qualified Companies according to the amount of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant month. The Telephone Company shall issue (i) any MMC not previously issued for any month included in that Term Year, and (ii) the MMC for the last month of that Term Year.

(4) If, at the end of any Term Year except Term Year 1, the Customer's MARC-Eligible Charges (ignoring any Quarterly Shortfall(s) previously paid by the Customer for that Term Year) for that Term Year are greater than the MARC for that Term Year, the Telephone Company will issue a credit equal to ten percent (10%) of such excess (Contract Tariff Above-the-MARC Credit Amount). The Contract Tariff Above-the-MARC Credit Amount will be allocated among the Qualified Companies according to the amount of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA)

The terms and conditions of this Service Level Agreement (SLA) shall apply to Subject Services provided under this Contract Offer, in addition to any Credit Allowance for Service Interruptions available under NBTC Tariff F.C.C. No. 1, Section 2.4.4 or any credits pursuant to the Installation Interval Guarantee under NBTC Tariff F.C.C. No. 1, Section 7.4.15. SLA data will be gathered, tabulated and reported according to the Telephone Company's generally applicable network installation and maintenance operational rules, methods and procedures.

(A) Special Construction Reimbursement Fund (SCRF).

The Telephone Company shall establish on behalf of the Customer a Special Construction Reimbursement Fund (SCRF). Any credits issued to the Customer pursuant to the SLA will be applied to the SCRF. SCRF credits will be available to the Customer only to defray any Special Construction charges that apply to Subject Services. Any credits allocated to the SCRF must be used by the Customer within twelve (12) months after the end of the Term Year for which such credits were issued.

(B) Installation Interval.

(1) The Telephone Company must provide service by the confirmed due date for at least ninety percent (90%) of DS1 Subject Services and at least ninety-two percent (92%) of DS3 Subject Services (each to be referred to as an "Installation Credit Level"). If (i) installation of Subject Services falls below the applicable Installation Credit Level for six (6) consecutive calendar months (an "Installation Interval Failure") and (ii) the "Average Monthly Orders Amount" as defined in Section 23.24.7(B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 23.24.7 (B)(3), then the Telephone Company will apply a credit to the SCRF in the amount listed in Table A, below, for each Subject Service for which the confirmed due date was not met during those six (6) calendar months. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(B) Installation Interval. (Cont'd)

(2) If (i) installation of Subject Services falls below the applicable Installation Credit Level for one or more additional consecutive months immediately following an Installation Interval Failure, and (ii) the "Average Monthly Orders Amount" as defined in Section 23.24.7 (B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 23.24.7B)(3), then an additional credit will be applied to the SCRF for each such additional month(s). Such additional credits will be in the amount listed in Table A, below, for each Subject Service for which the confirmed due date was not met during any such additional calendar month(s). Multiple Installation Interval credits will not apply to any calendar month.

(3) The "Average Monthly Orders Amount," is the average number of Subject Service circuits, by circuit type, with confirmed due dates during any period of six (6) consecutive calendar months or, in the case of any additional calendar month subject to Section 23.24.7 (B)(2), above, the average number of Subject Service circuits, by circuit type, with confirmed due dates during such additional calendar month and the preceding five (5) calendar months. The Monthly Benchmark, by circuit type, is listed in Table A, below.

Table A

Circuit Type	Monthly Benchmark	**Credit**
DS1	4,900	$250
DS3	300	$350

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(B) Installation Interval. (Cont'd)

Example 1.

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
DS3	97.2%	89.7%	89.8%	89.1%	90.9%	89.3%	89.3%	91.6%	94.0%
SUBJECT SERVICES WITH DUE DATES IN EACH MONTH	322	339	315	320	299	308	356	297	336
Average Monthly Orders Amount	NA	NA	NA	NA	NA	NA	322.8 (average of months 2-7)	315.8 (average of months 3-8)	NA
DD MISSES	9	35	32	35	27	33	38	25	20

In Example 1, the Telephone Company's installation of DS3 Subject Services fell below Credit Level (92%) during six consecutive months (Months 2 through 7). In each of those months, the Average Monthly Orders Amount (i.e., the six-month average number of DS3 Subject Services with confirmed due dates) exceeded the applicable Monthly Benchmark (300). The applicable credit would be calculated by adding the total number of Subject Services that were not installed by the applicable confirmed due dates (DD Misses) and multiplying that number by the applicable credit amount ($350).

(Month 2 DD Misses + Month 3 DD Misses + Month 4 DD Misses + Month 5 DD Misses + Month 6 DD Misses + Month 7 DD Misses) x Credit Amount = Total Credit, or

(35 + 32 + 35 + 27 + 33 + 38) x 350 = $70,000 Total Credit

In Month 8, the Telephone Company again failed to install service at or above the Credit Level, and the Average Monthly Orders Amount (i.e., the six-month rolling average number of monthly orders with confirmed due dates (for Months 3 through 8)) exceeded the Monthly Benchmark (300). An additional credit would be issued for Month 8 only. No additional credits would be issued for the preceding six months, since a credit was already issued for those months.

Month 8 DD Misses x Credit Amount = Total Credit
25 x $350 = $8,750 (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(A) Service Interruptions.

(1) Service Restoration Interval.

(a) The Telephone Company will restore service within four (4) hours after the Telephone Company receives the applicable trouble report for at least forty eight percent (48%) of all service interruptions for DS1 Subject Services and for at least sixty five percent (65%) of all service interruptions for DS3 Subject Services (each to be referred to as a "Service Restoration Credit Level"). If (i) service restoration falls below the applicable Service Restoration Credit Level for six (6) consecutive months (a "Service Restoration Failure"), and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined in Section 23.24.7 (C)(1)(a), below, then the Telephone Company will apply a credit to the SCRF in the amount listed in Table B, below, for each trouble report for which service was not restored within the Restoration Interval during those six (6) calendar months.

(b) If (i) service restoration falls below the Service Restoration Credit Level for one or more additional consecutive months immediately following a Service Restoration Failure, and (ii) the number of trouble reports for each such month(s) meets or exceeds the "Monthly Trouble Report Minimum," as defined in Section 23.24.7 (C)(1)(a), below, then the Telephone Company will apply an additional credit to the SCRF in the amount listed in Table B, below, for each trouble report for which service was not restored within the applicable Restoration Interval during each such additional calendar month(s). Multiple Service Restoration credits will not apply to any calendar month.

(c) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table B, below. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(C)Service Interruptions. (Cont'd)

(1) Service Restoration Interval. (Cont'd)

Table B

Circuit Type	Monthly Trouble Report Minimum	Credit
DS1	4,000	$100
DS3	125	$350

Example 2:

DS1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
FF TRBL REPORTS	3937	4000	4184	4553	4032	4532	4601	4035	4005
TTR > 4.0	1302	2149	1506	2396	2168	2709	2417	2139	2099
% ≤ 4.0	66.93%	46.28%	64.01%	47.38%	46.23%	40.23%	47.47%	46.99%	47.59%

In Example 2, the Telephone Company restored service in four hours or less for fewer than 48% of DS1 Subject Services during six consecutive months (Months 4 through 9). During each of those months, the number of trouble reports for DS1 Subject Services met or exceeded the Trouble Report Minimum. The applicable credit would be calculated by adding the total number of Subject Services that were not repaired within the 4 hour timeframe (TTR>= 4.0) and multiplying that number by the applicable credit amount ($100).

(Jul TTR≤4 + Aug TTR≤4 + Sept TTR≤4 + Oct TTR≤4 + Nov TT≤4 + Dec TTR≤4) x Credit Amount = Total Credit

Or

(2396 + 2168 + 2709 + 2417 + 2139 + 2099) x $100 = $1,392,800 (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(C) Service Interruptions. (Cont'd)

(1) Repeat Trouble.

(a) No more than twenty-three percent (23%) of all DS1 trouble tickets and eleven percent (11%) of all DS3 trouble tickets closed by the Telephone Company (each to be referred to as a "Repeat Trouble Credit Level") during any calendar month shall be for circuits that have had one or more trouble tickets in the previous thirty (30) calendar days. If (i) the percentage of repeat trouble exceeds the Repeat Trouble Rate for six (6) consecutive months (a "Repeat Trouble Failure"), and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined below, then the Telephone Company will apply a credit to the SCRF in the amount listed in Table C, below, for each repeat trouble report during those six (6) calendar months.

(b) If (i) repeat troubles exceed the Repeat Trouble Credit Level for one or more additional months immediately following a Repeat Trouble Failure, and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined below, then the Telephone Company will apply an additional credit to the SCRF in the amount listed in Table C, below, for each repeat trouble report during each such additional calendar month. Multiple Repeat Trouble credits will not apply to any calendar month.

(c) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table C, below.

Table C

Circuit Type	**Monthly Trouble Report Minimum**	**Credit**
DS1	4,000	$100
DS3	125	$350

(This page filed under Transmittal No. 212)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.7 Service Level Agreements (SLA) (Cont'd)

(C) Service Interruptions. (Cont'd)

(2) Repeat Trouble. (Cont'd)

Example 3.

	Month 1	**Month 2**	**Month 3**	**Month 4**	**Month 5**	**Month 6**	**Month 7**	**Month 8**	**Month 9**
DS1	16.5%	17.1%	25.0%	25.2%	25.5%	25.1%	25.0%	25.4%	19.3%
REPEATS	494	584	999	1101	1098	1028	1005	1016	643
TRBL RPTS	2996	3416	4002	4361	4310	4101	4023	4000	3333

In Example 3, more than 23% measure of all troubles were classified as repeat troubles for six consecutive months (Months 3 through 8), and Customer trouble reports in each such month exceeded the Monthly Trouble Report Minimum. A credit of $624,700 would be applied to the SCRF.

(999+1101+1098+1028+1005+1016) x 100 = $624,700

23.24.8 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 24 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. 24 to any Permitted Affiliate, so long as: (i) the other Concurrently Subscribed Contract Offers are likewise assigned or otherwise transferred in their entirety to that same Affiliate; and (ii) that Affiliate otherwise qualifies under this Contract Offer No. 24 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. 24 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. 24 and the other Concurrently Subscribed Contract Offers; any assignment or transfer by the Customer shall be subject to the provisions of Section 23.24.7(B), below, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 24 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 24 or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.8 Assignment/Transfer/Successors (Cont'd)

(B) Subject to the provisions of Section 23.24.7(A), above, the Customer may assign or transfer this Contract Offer if (i) the proposed assignee or transferee demonstrates credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); and (ii) neither the proposed assignee or transferee nor its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period.

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(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 23.24.7(B) is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.9 Mergers/Acquisitions and Sales/Divestitures

All provisions of this Contract Offer No. 24 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 24 for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the other entity shall not be part of any calculation hereunder, including, without limitation, as a MARC-Eligible Service, as generating MARC-Eligible Charges, to determine achievement of the MARC, in fulfilling the commitment set forth in this Contract Tariff 23.24.5(A), or be eligible for any credits under this Agreement.

23.24.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 24 or any of the other Concurrently Subscribed Contract Offers for any reason other than material breach by the Telephone Company or one of the other Qualified Companies, or if the Telephone Company terminates this Contract Offer No. 24 or if one of the other Qualified Companies terminates its other Concurrently Subscribed Contract Offer as a result of a material breach by the Customer, then this Contract Offer No. 24 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge in the aggregate amount of (i) the Pro-rated True-Up Amount (as defined below), if any, (ii) either (a) 20.57% of the unsatisfied MARC for Term Year 1, if termination occurs in Term Year 1, or (b) twelve percent (12%) of the unsatisfied MARC for the remainder of any Term Year after Term Year 1, in which termination occurs, in either case beginning immediately after the period covered by the Pro-rated True-Up Amount, (iii) twelve percent (12%) for each Term Year remaining after the Term Year in which termination occurs, and (iv) the last two (2) MMCs earned by the Customer. (If such earned MMCs have not yet been issued by the Telephone Company, the Customer shall not repay such MMCs. Instead, such MMCs will not be issued.)

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.10 Termination (Cont'd)

(A) Termination Liability Charge (Cont'd)

The "Pro-rated True-Up Amount" will be equal to the difference, if any, between the pro-rated MARC for that Term Year under this Contract Offer, as of the termination effective date, minus the aggregate of (a) the MARC-Eligible Charges, and (b) any Quarterly Shortfall charges paid for the Term Year in which the termination occurs.

For avoidance of doubt, if the Pro-rated True-Up Amount is a negative number (i.e., Customer has, on a year-to-date basis, paid MARC-Eligible Charges and Quarterly Shortfall charges in excess of the pro-rated MARC for that Term Year as of the termination effective date), the Pro-rated True-Up Amount shall be zero, and the amount of termination liability owed by Customer under this section shall be reduced as follows:

(1) by either 20.57% if termination occurs during Term Year 1, or twelve percent (12%) if termination occurs during any other Term Year, of the excess, if any, of
(A) the MARC-Eligible Charges for that Term Year, over
(B) the pro-rated MARC for the period covered by the Pro-rated True-Up Amount;

(2) if there is a reduction under Section 23.24.9(A)(1), by the amount of any Quarterly Shortfall charges paid for that Term Year; or

(3) if there is no reduction under Section 23.24.9(A)(1), then by the excess of
(A) the MARC-Eligible Charges and Quarterly Shortfall charges paid for that Term Year, over
(B) the pro-rated MARC for the period covered by the Pro-rated True-Up Amount

If the aggregate reduction under Section 23.24.9(A)(1) and (2), or the reduction under Section 23.24.9(A)(3), exceeds the amount of the termination liability owed by Customer under this Section, then the Telephone Company shall issue a credit in the amount of such excess. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.10 Termination (Cont'd)

The Customer will pay in full the termination liability thirty (30) days after notice by the Telephone Company. This termination liability charge shall apply in addition to, and shall not affect, any termination liability charges that may otherwise apply according to the terms of any applicable NBTC Tariff F.C.C. No. 1.

(B) If, during the Term Period, the Tariff and/or Guidebook monthly recurring charges (MRCs) applicable to Subject and Non-Subject Services, as listed in this Section, below, under this Contract Offer and the other Concurrently Subscribed Contract Offers, are reduced by a cumulative total of thirty percent (30%), as compared to the rates applicable to Subject and Non-Subject Services on the Subscription Date, either party may terminate this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers without incurring any termination liability charge that would otherwise be due under this Contract Offer No. 24, upon sixty (60) day advance written notice to the other party. Such option to terminate shall be exercisable to this Contract Offer No. 24 and the other Concurrently Subscribed Contract Offers as a package; neither party can terminate less than all of them. To determine whether such a rate reduction has occurred, the Qualified Companies will take the following steps.

Within sixty (60) days after the Subscription Date of this Contract Offer No. 24, the Qualified Companies will perform an analysis of the Initial Rates (Initial Rate Analysis). The Initial Rate Analysis will be based on the actual quantities of the rate elements, below, and the actual quantities of those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, in each case being purchased by the Customer and its Permitted Affiliates as of the Subscription Date.

1. DS-1: Channel Terminations (CT), Channel Mileage (CM) fixed and CM per mile;

2. DS-3: CT, CM fixed, CM per mile and Multiplexing (MUX); (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.24 Contract Offer No. 24 – Access Service Offer (Cont'd)

23.24.10 Termination (Cont'd)

(B) (Cont'd)

3. SONET Dedicated Ring Service[1]: Central Office and Customer Premises Nodes, Add/Drop Capability, Ports, Mileage, Optical to Electrical DS1 Add/Drop Capability and Regenerators; and

4. Optical Carrier Network Point-to-Point (OCN PTP) Services[1]: Local Distribution Channel, Interoffice Transport, Collocation Transport, Add/Drop Function, Add/Drop Multiplexing, Protection and Regenerators.

During the Term Period, the Customer may request an analysis of the rates applicable to rate elements listed in Section 23.24.9(B) and those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, as of the end of any Term Year. To request such an analysis, the Customer must provide the Qualified Companies with written notice within sixty (60) days after the end of the Term Year to which the request applies. Following such a request, the Qualified Companies shall perform an analysis of the rates applicable to the rate elements listed in Section 23.24.9(B) and to those rate elements listed in the analogous sections of the other Concurrently Subscribed Contract Offers, using the same rate elements and quantities as were evaluated in the analysis of the Initial Rates (EOY Rate Analysis). The Initial Rate Analysis will be compared with the EOY Rate Analysis to determine the change, if any, in the rates applicable to Subject and Non-Subject Services.

[1] Interstate OCN PTP and DSRS services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (N)

23.25.1 General Description

Contract Offer No. 25, Special Access DS1 and DS3 Service Offer (Contract Offer No. 25), is a Minimum Volume (N) Commitment plan for special access for which concurrent (Nx) subscription is required to this Contract Offer and the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 203, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 Contract Offer No. 175, BellSouth Telecommunications LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 73 and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 156 (collectively, with this Contract Offer No. 25, Concurrently Subscribed Contract Offers). Ameritech, SWBT, BellSouth, PBTC and Nevada Bell Telephone Company (NBTC) shall be identified herein as the "Qualified Companies."

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 25 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 25 requires eligible Customers to make and satisfy Minimum Volumes, as defined in Section 23.25.5. The Minimum Volumes consist of certain Subject Services purchased from NBTC Tariff F.C.C. No. 1 and the other Qualified Companies as provided in this Contract Offer. (Nx)

This Contract Offer is available for subscription from (N) August 25, 2011 through September 25, 2011. This Contract Offer is not renewable.

23.25.2 Subject Services

(A) This Contract Offer applies to pricing Subject Services contained in the following tariff sections: NBTC Tariff F.C.C. No. 1, Sections 6, 7 and 22 – DS1 and DS3 High Capacity Service.

(B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in NBTC Tariff F.C.C. No. 1, Section 22, and those listed in Table A. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 25.

Table A-

MSA	
Reno	NV

(N)

(x) Filed under the authority of Special Permission No. 11-013 of the F.C.C.

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

(A) All Subject Services must terminate on Customer's Wireless Network.

(B) All Subject Services must subtend a SONET[1] ring service purchased by the Customer from the Telephone Company.

(C) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have in service no fewer than sixteen thousand (16,000) and no more than seventeen thousand (17,000) DS1s, and no fewer than one thousand two hundred (1,200) and no more than one thousand three hundred (1,300) DS3 access circuits from the Qualified Companies, each of which terminates at a Qualified Cell Site. (N)

(D) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers: (Nx)

- SWBT Tariff F.C.C. No. 73, Contract Offer No. 175;
- BellSouth Tariff F.C.C. No. 1, Contract Offer No. 73;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 203; and
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 156. (Nx)

23.25.4 Terms and Conditions (N)

(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, the rates, terms and conditions of this Contract Offer shall no longer apply, and Subject Services shall be provided at the prevailing month-to-month rates in NBTC Tariff F.C.C. No. 1, Section 7.

[1]Dedicated SONET Ring Service (DSRS) services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

(x) Filed under the authority of Special Permission No. 11-013 of the F.C.C.

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in NBTC Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of NBTC Tariff F.C.C. No. 1, Sections 2, 5 or 13, this Contract Offer shall govern over the conflicting provision.

(2) All traffic transmitted over Subject Services must originate or terminate at a Mobile Switching Center (MSC) operated by the Customer.

(3) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.

(4) Subject Services eligible for credits under this Contract Offer shall not be included in any other pricing flexibility contract offer, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.

(5) Jointly provided access services may be included as Subject Services under this Contract Offer, provided such services meet the terms and conditions herein. Such Subject Services shall be eligible for the credits provided in this Contract Offer, but such credits will be applicable only to the portion of such services provided by the Telephone Company. Jointly Provided Access Services will be counted for purposes of determining the Customer's compliance with the DS1 and DS3 Volume Commitments set forth in Section 23.25.5 of this Contract Offer. (N)

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Subject Services pursuant to this Contract Offer may be purchased. Subject Services ordered or purchased under other ACNAs may not be transferred or converted to this Contract Offer.

(7) Commingling shall be as defined in NBTC Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.

(8) Credits earned under this Contract Offer No. 25 are in addition to, and do not alter, any discounts, term plans or other rates available in the Telephone Company's tariffs, except for those pricing flexibility contract tariffs superseded by the Concurrently Subscribed Tariffs.

(9) With the exception of the Concurrently Subscribed Contract Offers, the Customer shall not purchase special access services pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed. (N)

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.5 Minimum Volume Credits

(A) The Telephone Company will issue credits to the Customer as provided in this Section 23.25.5(B), conditioned on the Customer's purchase of the minimum volumes of Subject Services from the Qualified Companies, as set forth below ("Minimum Volumes").

(1) During each month of the Term Period, the Customer must be purchasing from the Qualified Companies, in total, a minimum of sixteen thousand seven hundred and nineteen (16,719) DS1 Subject Services.
(2) During each month of the Term Period, the Customer must be purchasing from the Qualified Companies, in total, a minimum of one thousand two hundred and nine (1209) DS3 Subject Services.

(B) If the Customer satisfies the minimum volume conditions, the Telephone Company will issue credits to the Customer in the amount of thirty dollars ($30) for each DS1 in excess of the Minimum Volumes identified in Section 23.25.5.A.1, and one hundred dollars ($100) for each DS3 in excess of the Minimum Volumes identified in Section 23.25.5.A.2, which shall be distributed among the Qualified Companies as provided herein. Credits shall be applied to "Subject Services" provided pursuant to the Concurrently Subscribed Contract Offers according to installation date, with credits being applied to the most recently installed Subject Services first.

23.25.6 Replacement of Subject Services with Ethernet-Based Services[1]

(A) The Customer may terminate DS1 Subject Services without termination liability charges, provided that the following conditions have been met.

(1) The Subject Service must have been in service for at least six (6) months prior to termination.
(2) The Subject Service must have been replaced by Ethernet-based service[1] provided to the Customer by the Telephone Company at the same Qualified Cell Site, with Ethernet[1] bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service).

[1]Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook (N)

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.6 Replacement of Subject Services with Ethernet-Based Services[1] (Cont'd)

(A) (Cont'd)

(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

(B) The Customer may qualify for credits to be applied against termination liability charges billed for terminated DS3 Subjects Services ("DS3 Credits"), provided that the following conditions have been met.

(1) The Subject Service must have been continuously in service since the Effective Date of this Contract Offer.
(2) The Subject Service must have been in service for at least twenty-four (24) months prior to termination.
(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

The Telephone Company will calculate and issue (when applicable) DS3 Credits for each three (3) month period during the Term Period, beginning from the Subscription Date (each such period to be referred to as a "Quarter"). DS3 Credits will be based on the equivalent of one terminated DS3 Subject Service for every twenty-eight (28) DS1 Subject Services that have been terminated without termination liability pursuant to Section 23.25.6(A), above, during the relevant Quarter ("Eligible DS1s"). The Telephone Company will determine the number of Eligible DS1s for the Quarter, divide the number of Eligible DS1s by twenty-eight (28), and round the quotient down to the nearest whole number. The result of this calculation will be referred to as the "DS3 Termination Allowance." The amount of the DS3 Credit will be calculated by multiplying the DS3 Termination Allowance times the average amount of all termination liability charges billed to the Customer per terminated DS3 Subject Service during the Quarter ("Average DS3 TLC"). (N)

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.6 Replacement of Subject Services with Ethernet-Based Services[1] (Cont'd)

(B) (Cont'd)

Formula: DS3 Termination Allowance x Average DS3 Termination Liability Charge = DS3 Credit

Example: During Quarter X of the Term Period, the Customer terminates 165 DS1 Subject Services without termination liability, as provided in Section 23.25.6(A). During Quarter X, the Customer also terminates 6 DS3 Subject Services. Total termination liability charges for the terminated DS3 Subject Services are $24,000. The DS3 Termination Allowance is 5 (165/28 = 5.89). The Average DS3 TLC is $4,000 ($24,000/6 = $4,000). The DS3 Credit is $20,000 ($4,000 x 5 = $20,000).

23.25.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent, has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly, or indirectly, more than fifty 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. (N)

ACCESS SERVICE

23.25 Contract Offer No. 25 – Special Access Wireless DS1 and DS3 Service Offer (Cont'd) (N)

23.25.7 Assignment and Transfer (Cont'd)

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(i) "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or;

(ii) "high risk" in a Paydex score as published by Dun and Bradstreet.

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

23.25.8 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.26 Contract Offer No. 26 – Access Service Offer

23.26.1 General Description (N)

This Special Access Service Offer (Contract Offer No. 26) is a Minimum Annual Revenue Commitment (MARC) plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 159 and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 178; (collectively, with this Contract Offer No. 26, referred to as "Concurrently Subscribed Contract Offers"). PBTC, SWBT, together with the Telephone Company, shall be identified herein as the "Qualified Companies. (Nx)

Subject to the Terms and Conditions set forth in this Contract Offer No. 26 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 26 requires eligible Customers to establish and maintain a MARC, as described in Sections 23.26.4(C) and 23.26.5. (N)

Contract Offer No. 26 will be available for subscription only from December 20, 2011 through January 20, 2012. This offer is not renewable.

23.26.2 Subject and Non-Subject Services

Services whose charges will be included in the MARC calculations under this Contract Offer No. 26 consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory).

(A) Subject Services

(1) Subject Services are pricing flexibility qualified access services and associated rate elements, as identified in Table A, below.

Table A – Subject Services

Category	**Services Included**
Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs)	Voice Grade ("VG"), DS0, DS1, DS3, except for any rate elements not subject to pricing flexibility

(N)

(x) Issued under Authority of Special Permission No. 11-018 of F.C.C.

(This page filed under Transmittal No. 226)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.2 Subject and Non-Subject Services (Cont'd)

(A) Subject Services (Cont'd)

(1) Subject Services must be located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22 and those additional MSA's listed below. During the Term Period of this Contract Offer No. 26, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 26.
Reno, NV

(B) Non-Subject Services are listed in Table B, below.

Table B – Non-Subject Services

Category	Services Included
Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief.	Voice Grade ("VG"), DS0, DS1, DS3, and any rate elements not eligible for pricing flexibility.
Broadband Interstate Special Access	[1]Optical Carrier Network ("OCN") Point- to-Point Service, Dedicated SONET Ring Service ("DSRS"), Gigabit Ethernet Metropolitan Access Network ("GigaMAN®") Service, Multi-service Optical Network ("MON") Ring Service, Optical Ethernet Metropolitan Area Network ("OPT-E-MAN®"), DecaMAN®, and Wavelength Metropolitan Area Network (WaveMAN℠). AT&T Switched Ethernet . Serial Component Video Service (SCVS), and High Definition Video Transport (HDVT)
Long Distance Voice Service	Long Distance Voice Service as described in Section 23.26.5(C), below

[1] OCN PTP, DSRS, MON, GigaMAN,® DecaMAN,® Opt-E-MAN®, WaveMAN℠, and AT&T Switched Ethernet, Serial Component Video (SCVS) and High Definition Video Transport (HDVT) services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

(This page filed under Transmittal No. 226)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.2 Subject and Non-Subject Services (Cont'd)

(C) All terms and conditions for those Subject Services and Non-Subject Services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer No. 26 with respect to Subject Services. All terms and conditions for those Non-Subject Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.

(D) Subject Services and Non-Subject Services shall also include any similar or successor services which are provided by the Qualified Companies and which were not available as of the effective date of this Contract Offer No. 26.

23.26.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 26:

(A) During the twelve (12) months prior to the Subscription Date, the Customer must have purchased services equivalent to those included among the Subject Services and Non-Subject Services under this Contract Offer, which services must have resulted in charges equivalent to those included in MARC-Eligible Charges under this Contract Offer (as defined in Section 23.26.4(C), below) during those twelve (12) months equal to no less than sixty-five million dollars ($65,000,000). (N)

(B) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers: (Nx)

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 26;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 159; and
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 178. (Nx)

(C) At the time of subscription to this Contract Offer, the Customer must be purchasing a single TDM–based long distance voice service, and/or a single Internet Protocol-based long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet[1], which service must generate minimum of four million five hundred thousand dollars ($4,500,000) in recurring charges annually. (N)

[1] ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/ (N)

(x) Issued under Authority of Special Permission No. 11-018 of F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 26:

(A) Subscription.

To subscribe to Contract Offer No. 26, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all qualifying Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 26 (hereafter referred to as "Eligible ACNAs"). Subject Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 26.

(B) Term Period

The term of this Contract Offer No. 26 (Term Period) shall begin on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer, referred to as the "Subscription Date". The Term Period shall end twenty-nine (29) months after the Subscription Date, subject to extension, as provided in this Section 23.26.4(M)(1), below.

Each period of twelve (12) consecutive months during the Term Period, beginning with the Subscription Date, shall be referred to as a "Term Year," except that Term Year 3 shall consist of five (5) months, i.e., the twenty-fifth (25th) through twenty-ninth (29th) months after the Subscription Date, and the extension year, if any, shall consist of twelve (12) months, i.e., the thirtieth (30th) through forty-first (41st) months after the Subscription Date. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.4 Terms and Conditions (Cont'd)

(C) The Customer must satisfy a MARC, as further described in Section 23.26.5(A), for each Term Year of this Contract Offer No. 26. The MARC shall be based on billed recurring revenue, net of any applicable discounts or credits and any other applicable credits or adjustments issued as of the time of the applicable Annual True-up Process for, in the aggregate, the Subject Services and Non-Subject Services set forth in Section 23.26.2 of this Contract Offer No. 26, and the "Subject Services" and "Non-Subject Services" set forth in the other Concurrently Subscribed Contract Offers (such charges collectively referred to as "MARC-Eligible Charges"), provided, however, that any credits issued pursuant to the Concurrently Subscribed Contract Offers shall not be included in determining MARC-Eligible Charges. The MARC-eligible services, as set forth in Section 23.26.2 of this Contract Offer No. 26, and the MARC-eligible services as similarly set forth in the other Concurrently Subscribed Contract Offers, are collectively referred as the "MARC-Eligible Services." MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. Notwithstanding the foregoing, if any MARC-Eligible Charges are subject to disputes that have not been resolved at the time of the applicable Annual True-Up Process, such charges will be included in MARC-Eligible Charges for purposes of that Annual True-Up, but charges or credits affected by the dispute shall be adjusted upon resolution of the dispute, in a manner consistent with such resolution.

(D) Credits earned by the Customer under this Contract Offer No. 26 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 23.26.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.4 Terms and Conditions (Cont'd)

(E) MARC-eligible services under this Contract Offer No. 26 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, or other individually negotiated tariff or agreement (referred to as "Other Commitment Agreement") that includes any minimum volume or revenue commitment, unless any Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.

(F) Credits provided under this Contract Offer No. 26 will not be issued unless and until the Customer has paid all billed charges for MARC-Eligible Services due and owing(excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer.

(G) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 26.

(H) Commingling is defined in NBTC Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided pursuant to this Contract Offer No. 26 is prohibited.

(J) Subject Services shall be subject to the otherwise applicable rates, terms and conditions of NBTC Tariff F.C.C. No. 1, as modified from time to time, except as provided in this Contract Offer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.4 Terms and Conditions (Cont'd)

(K) Extension of Term Period or Negotiation of Replacement. The Term Period may be extended by one year, or the rates, terms and conditions for a replacement to this Contract Offer may be negotiated, as provided herein. If the Customer wishes to extend the Term Period or negotiate a replacement to this Contract Offer, the Customer must notify the Telephone Company, in writing, no later than twenty-three (23) months after the Subscription Date and must state whether it wishes to: (a) extend the Term Period, or (b) negotiate a replacement.

(1) If the Customer requests an extension of the Term Period, the Customer's request will be subject to the approval of the Telephone Company. The Telephone Company shall either accept or reject the Customer's request, in writing, no more than sixty (60) days after receipt of the Customer's request. If the Telephone Company fails to respond within sixty (60) days after receiving the request, the request shall be deemed to have been accepted. The extension, if any, must apply to all of the Concurrently Subscribed Contract Offers.

(2) If the Customer requests to negotiate a replacement to this Contract Offer, the parties will negotiate in good faith to enter into such a replacement.

(L) Replacement of DS1 with Ethernet[1]-Based Services:

The Customer may terminate DS1 Subject Services without termination liability charges, provided that the following conditions have been met.

(1) The Subject Service must have been in service for at least twelve (12) months prior to termination.

(2) The Subject Service must have been replaced by Ethernet[1]-based service provided to the Customer by the Telephone Company at the same end user location with Ethernet[1] bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service).

[1] Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.4 Terms and Conditions (Cont'd)

(L) Replacement of DS1 with Ethernet[1]-Based Services: (Cont'd)

(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

(M) This Section 23.26.4(M) shall apply to Subject Services purchased under the DS1 High Capacity Service Portability Commitment, as described in Section 7.11.5.2 (E) of NBTC Tariff F.C.C. No. 1. The Customer will be eligible for a reduction to its Commitment Level (CL), as defined in this Section 7.11.5.2 (E) without such Termination Liability as would otherwise apply to a decrease in the Customer's CL, as provided below:

(1) A CL reduction shall be available only if and when the Customer's total number of in-service DS1 Channel Terminations falls below eighty percent (80%) of the Customer's then-current CL.

(2) Only DS1 Channel Terminations that are disconnected and replaced by Ethernet[1]-based services purchased from the Telephone Company, as provided in Section 23.26.4(L) may be taken into account in any reduction of the Customer's CL.

(3) Any reduction to the Customer's CL will apply only during the three (3) year term of the Customer's Portability Commitment, as was in effect as of the date of the Customer's subscription to this Contract Offer. As clarification, but not to modify the foregoing, any new Portability Commitment or renewal of a previously existing Portability Commitment shall not be eligible for a CL reduction under this Contract Offer.

[1] Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.5 Minimum Annual Revenue Commitment (MARC)

(A) Establishment and Calculation of the MARC. The MARC for each Term Year of this Contract Offer shall be as follows:

(1) For Term Year 1, the greater of: (a) eighty-two million dollars ($82,000,000), or (b) the lesser of the amount of recurring revenue billed to the Customer by the Qualified Companies, net of any applicable discounts or credits or billing adjustments for those services identified as Subject Services or Non-Subject Services in Section 23.26.2 of this Contract Offer and those services identified as "Subject Services" and "Non-Subject Services" in the Concurrently Subscribed Contract Offers, during the three (3) months immediately prior to the Subscription Date, times four (4) or during the previous month immediately prior to the Subscription Date, time twelve (12).

(2) For Term Year 2, the greater of: (a) seventy-four million seven hundred thousand dollars ($74,700,000), or (b) eight and one-half percent (8.5%) less than the Term Year 1 MARC;

(3) For Term Year 3, the greater of: (a) twenty-eight million two hundred thousand dollars ($28,200,000), or (b) thirty-seven percent (37%) of the Year 2 MARC.

(4) For the extension year, if any, two and four tenths (2.4) times the Year 3 MARC.

(B) MARC Calculations
Satisfaction of the MARC shall be determined according to MARC-Eligible Charges (defined in Section 23.26.4(C)). MARC-Eligible Charges include charges for MARC-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(C) The Customer may include in MARC-Eligible Charges recurring revenue attributable to a single TDM–based long distance voice service, and/or a single IP-based long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet[1], provided that recurring revenues attributable to such service may represent no more than the percentage of the MARC applicable during the relevant Term Year identified in Table C, below.

[1] ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/ (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(C) (Cont'd)

Table C

PERIOD	The long distance voice service described in Section 23.26.5(C) above, cannot contribute more than the following amount to the MARC
Term Month 1 – Month 12	6.00%
Term Month 13 - Month 24	6.02%
Term Month 25 - Month 29	6.74%
Extension Year, Month 30 – Month 41 if applicable	6.74%

(D) Failure to Satisfy the MARC

If the Customer fails to satisfy the MARC, as determined in the Annual True-Up Process, the Qualified Companies shall bill and the Customer shall pay the amount of the Annual Shortfall, as applicable, as provided in Sections 23.26.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 26 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for MARC-Eligible Charges under those contract offers.

Customer and the Qualified Companies shall attempt in good faith to complete the Annual True-Up, including making any payments or applying any credits resulting therefrom within ninety (90) days after the end of each Term Year.

23.26.6 Credits

(A) Monthly MARC Credits

During Term Year 1 and Term Year 2 of the Term Period (only) for each month of a Term Year, the Customer may be eligible for a single Monthly MARC Credit under, collectively, this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly MARC Credits" or "MMCs"). (N)

(This page filed under Transmittal No. 226)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(A) Monthly MARC Credits (Cont'd)

The Qualified Companies will issue an MMC to the Customer for any month during Term Year 1 or Term Year 2 (only) in which the Customer's MARC Eligible Charges are sufficient to satisfy one-twelfth (1/12) of the MARC for that Term Year (Monthly MARC). Any MMC will be issued in arrears, within sixty (60) days after the end of the month in which the Customer qualified for the MMC. If the Customer has not met the Monthly MARC during a month, no MMC will be issued for that month, but the Customer may be eligible to receive such MMC in conjunction with the Annual True-Up process, as provided below. The amount of the MMC, by Term Year, is provided in Table D, below.

Offer No. 26 and the other Concurrently Subscribed Contract Offers in proportion to billing for MARC-Eligible Charges during the relevant month. The MMC will be applied to the Customer's bill no later than sixty (60) days after the end of each month in which the Monthly MARC was satisfied.

MMCs shall not be issued if the Customer is in material breach of this Contract Offer No. 26 or the other Concurrently Subscribed Contract Offers, or in material breach of any other terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer.

Table D

Term Year	**Maximum Annual MMC**
Term Month 1 – Month 12	11.1% of the MARC
Term Month 13 - Month 24	$6.1M
Term Month 25 - Month 29	$0
Extension Year, Month 30 – Month 41 if applicable	$0

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(B) Monthly Incentive Credits

For each month during the Term Period, the Customer may be eligible for a single monthly incentive credit under, collectively, this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly Incentive Credit" or "MIC").

(1) If, for Term Year 2 or the extension Term Year, if any, of the Customer's MARC-Eligible Charges during any month are sufficient to satisfy the Monthly MARC applicable during a prior Term Year, the Telephone Company will issue to the Customer a MIC in an amount equal to: (a) one-twelfth (1/12) of the Maximum Annual MMC, as shown in Table D, for which the Customer was eligible during the Term Year that corresponds to the greatest prior-year MARC for which the Customer satisfied the corresponding Monthly MARC, less (b) any MMC earned by the Customer for that month.

Example: During Term Year 2, the Customer's MARC is $82 million, and the Customer's MARC-Eligible Charges for a given month are $6.9 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 Monthly MARC. ($6.9 million x 12 = $82.8 million.) Because the Customer's MARC-Eligible Charges are also sufficient to satisfy the Term Year 2 Monthly MARC, the Customer will have earned an MMC of $508,000 for that month. ($6.1 million ÷ 12 = %508,000.) The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 1, less the MMC actually credited for the relevant month in Term Year 2. The MIC will be $250,000. (Step 1: $82 million x 11.1% = $9.1 million. Step 2: $9.1 million ÷ 12 = $758,000. Step 3: $758,000 - $508,000 = $251,000.) (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(B) Monthly Incentive Credits (Cont'd)

(1) If, for Term Year 3, the Customer's MARC-Eligible Charges are equal to, or greater than, the Monthly MARC for Term Year 1, the Telephone Company will issue to the Customer a MIC equal to one twelfth (1/12) of the Maximum Annual MMC applicable to Term Year 1

Example: During Term Year 3, the Customer's MARC-Eligible Charges for a given month are $6.9 million. The Term Year 1 MARC was $82 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 Monthly MARC. ($82 million ÷ 12 - $6.83 million.) No MMC applies in Term Year 3. The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 1. The MIC will be $758,000. (Step 1: $82 million x 11.1% = $9.1 million. Step 2: $9.1 million ÷ 12 = $758,000.)

(2) If, for Term Year 3, the Customer's MARC-Eligible Charges are equal to, or greater than, the Monthly MARC for Term Year 2, but are not equal to, or greater than, the Monthly MARC for Term Year 1, the Telephone Company will issue to the Customer a MIC equal to one twelfth (1/12) of the Maximum Annual MMC applicable to Term Year 2.

Example: During Term Year 3, the Customer's MARC-Eligible Charges for a given month are $6.25 million. The Term Year 2 MARC was $74.7 million. The Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 2 Monthly MARC, but not the Term Year 1 Monthly MARC. ($74.7 million ÷ 12 = $6.23 million. $82 million ÷ 12 - $6.83 million.) No MMC applies in Term Year 3. The Customer will be paid an MIC equal to one-twelfth of the Maximum Annual MMC for Term Year 2. The MIC will be $690,000. (Step 1: $74.7 million x 11.1% = $8.29 million. Step 2: $8.29 million ÷ 12 = $690,000.) (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(C) Above the MARC Credits
If the Customer exceeds the Year 1 MARC in any Term Year, including the extension year, if any, the Telephone Company will issue to the Customer an "Above the MARC Credit" equal to fifteen percent (15%) of the Customer's MARC-Eligible Charges in excess of the Year 1 MARC.

Example: In Year 1, if MARC-Eligible Charges were $85,000,000, then the Telephone Company will issue to the Customer a credit of 15% X ($85,000,000 - $82,000,000) = $450,000.

(C) One-Time Credit. The Customer will earn a one-time credit equal to X% of the Year 1 MARC upon subscription to this Contract Tariff and the Concurrently Subscribed Contract Tariffs.

(D) One-Time Credit. The Customer will earn a one-time credit equal to 2.7% of the Year 1 MARC upon subscription to this Contract Tariff and the Concurrently Subscribed Contract Tariffs.

(F) Annual True-up Process

(1) Annual Shortfall. If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges is less than the MARC, for that Term Year, the Qualified Companies shall bill, and the Customer shall pay, an amount equal to the difference between (a) the MARC, and (b) the Customer's MARC-Eligible Charges paid for that Term Year ("Annual Shortfall"). Any Annual Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Upon payment of the Annual Shortfall, the Telephone Company shall issue to the Customer a credit in the amount of the difference between the Maximum Annual MMC identified in Table D, above, and the total MMCs issued to the Customer for that Term Year, provided however, that the Telephone Company may, subject to the agreement of the Customer, offset all or part of such credit against all or part of such Annual Shortfall in lieu payment of the full amount of the Annual Shortfall. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(F) Annual True-up Process (Cont'd)

(2) Annual True-Up of MMC. If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges is equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit in the amount of the difference, if any, between the Maximum Annual MMC identified in Table D, above, and the total MMCs issued to the Customer for that Term Year.

Example: During Term Year 1, the Customer's MARC is $82 million. The Customer has earned $7.58 million in MMC Credits during Term Year 1. At the end of Term Year 1, the Customer's MARC-Eligible Charges are sufficient to satisfy the Term Year 1 MARC. The Telephone Company will issue to the Customer an additional credit of $1.52 million. (Step 1: $82 million x 11.1% = $9.1 million. Step 2: $9.1 million - $7.58 million = $1.52 million.)

(3) Annual True-Up of MIC.

(a) If, for Term Year 2 or the extension Term Year, if any, the Telephone Company has issued any MIC to the Customer, then at the end of the Term Year, the Telephone Company will issue to the Customer an additional credit or a debit, as applicable, equal to the difference between: (i) the total amount of all MMC and MIC issued during the Term Year subject to the Annual True-Up (such MMC and MIC to be referred to collectively as "Issued Monthly Credits"), and (ii) the Maximum Annual MMC identified in Table D, above, for the Term Year corresponding with the greatest MARC met or exceeded by the Customer's MARC-Eligible Charges for the year subject to the Annual True-Up (such Maximum Annual MMC to be referred to as "Achieved MARC Credit").

Example 1: During Term Year 2, the Customer has earned $6.1M in MMC and $2.1M in MIC during the Term Year. The MARC for Term Year 1 was $82M, and the MARC for Term Year 2 is $74.7M. At the end of Term Year 2, the amount of the Customer's MARC-Eligible Charges is $79.7M. That amount is sufficient to satisfy the Term Year 2 MARC, but not the higher Term Year 1 MARC. The Customer will be billed for the difference between the (N)

Issued Monthly Credits and the Achieved MARC Credit (for Term Year 2), which is $2.1M.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(F) Annual True-up Process (Cont'd)

(3) Annual True-Up of MIC (Cont'd)

(a) (Cont'd)

Example 2: During Term Year 2, the Customer has earned $6.1M in MMC and $2.25M in MIC during the Term Year. The MARC for Term Year 1 was $74.7M, and the MARC for Term Year 2 is $82M. At the end of Term Year 2, the amount of the Customer's MARC-Eligible Charges is $82.5M. That amount is sufficient to satisfy the Term Year 1 MARC. The Telephone Company will issue to the Customer additional a credit equal to the difference between the Issued Monthly Credits and the Achieved MARC Credit (for Term Year 1), which is $0.75M.

(b) If, for Term Year 3, the Telephone Company has issued any MIC to the Customer, then at the end of the Term Year, the Telephone Company will issue to the Customer an additional credit or a debit, as applicable, equal to the difference between: (i) the Issued Monthly Credits for Term Year 3, and (ii) five-twelfths (5/12) of the Maximum Annual MMC identified in Table D, above, for the Term Year corresponding with the greatest MARC for which five twelfths (5/12) of such MARC is met or exceeded by the amount of the Customer's MARC-Eligible Charges for Term Year 3.

Example 1: During Term Year 3, the Customer has earned $0 in MMC and $1.5M in MIC during the Term Year. The MARC for Term Year 1 was $82M, the MARC for Term Year 2 was $74.7M, and the MARC for Term Year 3 is $28.2M. At the end of Term Year 3, the amount of the Customer's MARC-Eligible Charges is $29.2M. That amount is sufficient to satisfy the Term Year 3 MARC but not five-twelfths (5/12) of the Term Year 2 MARC. The Customer will be billed for the difference between the Issued Monthly Credits during Term Year 3 and the Maximum Annual MMC for Term Year 3, which is $1.5M. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.6 Credits (Cont'd)

(F) Annual True-up Process (Cont'd)

(3) Annual True-Up of MIC (Cont'd)

(b) (Cont'd)

Example 2: During Term Year 3, the Customer has earned $0 in MMC and $1.5M in MIC during the Term Year. The MARC for Term Year 1 was $82M, the MARC for Term Year 2 was $74.7M, and the MARC for Term Year 3 is $28.2M. At the end of Term Year 3, the amount of the Customer's MARC-Eligible Charges is $31.2M. That amount is sufficient to satisfy the Term Year 3 MARC and five-twelfths (5/12) of the Term Year 2 MARC, but not five-twelfths (5/12) of the Term Year 1 MARC. The Telephone Company will issue to the Customer an additional credit equal to the difference between the Issued Monthly Credits and five twelfths (5/12) of the Maximum Annual MMC for Term Year 2, which is $1.0M.

23.26.7 Service Level Assurance

(A) Service Level Assurance (SLA). The Customer will be eligible for additional credits if certain Service Level Assurance (SLA) benchmarks are not achieved by the Telephone Company, as provided below. SLA benchmark measurements will be calculated in the aggregate, for all DS1 and DS3 Interstate Special Access Services provided to the Customer by the Qualified Companies, for each Term Year. SLA benchmark measurements will be calculated according to the Telephone Company's generally applicable business rules and criteria associated with each of the SLA benchmark measurements. The SLA benchmarks will apply to both DS1 and DS3 services on a combined basis. SLAs will apply to the following service performance measurements:

(1) Mean Time to Repair (MTTR). "Mean Time to Repair" means the sum of the "Receipt to Restore Durations" of "Total Trouble Reports" divided by the number of Total Trouble Reports. "Total Trouble Reports" means all closed Customer trouble reports. "Receipt to Restore Duration" means the number of minutes (converted to hours) from the date and time each such trouble report is received by the Telephone Company to the date and time each such trouble report is closed. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.7 Service Level Assurance (Cont'd)

(A) Service Level Assurance (SLA). (Cont'd)

(2) On Time Delivery. "On Time Delivery" means the percentage of total Customer orders that are completed on or before their due dates.

(3) New Circuit Failure Rate. "New Circuit Failure Rate" means the percentage of total for new circuits that are subject to trouble reports within thirty (30) calendar days after the date of installation.

(4) Repeat Reports within 30 Days. "Repeat Reports within 30 Days" means the percentage of closed trouble reports for any circuit that are received within thirty (30) calendar days after the restoral date of a prior closed trouble report for the same circuit.

(B) SLA Measurements and Benchmarks. If the Telephone Company fails to achieve the benchmarks set forth in Table E, below, SLA Credits shall apply as provided in Section 23.26.7(C), below.

Table E—SLA Measurements and Benchmarks

Measurement	Benchmark
MTTR	5.5 hours
On Time Delivery	93%
New Circuit Failure Rate	4%
Repeat Reports within 30 Days	16%

(C) SLA Credits. Within ninety (90) days after the end of each Term Year, the Telephone Company will provide the Customer with a report of performance for the SLA measurements set forth in this Contract Offer. If the Telephone Company fails to achieve the benchmarks in this Contract Offer, the Qualified Companies will issue SLA Credits to the Customer as set forth in Table F, below (SLA Credits). A single SLA Credit will apply per SLA benchmark, per Term Year, for the Qualified Companies in the aggregate. Any SLA Credits will be issued to the Customer within ninety (90) days after the end of each Term Year. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.7 Service Level Assurance (Cont'd)

(C) SLA Credits. (Cont'd)

Table F—SLA Performance Credits

Measurement	Credit if Benchmark Not Achieved Met
MTTR	$75,000
On Time Delivery	$75,000
New Circuit Failure Rate	$75,000
Repeat Reports within 30 Days	$75,000

23.26.8 Assignment/Transfer/Successors

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 26 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. 26 to any Permitted Affiliate, so long as: (i) the other Concurrently Subscribed Contract Offers are likewise assigned or otherwise transferred in their entirety to that same Affiliate, and (ii) that Affiliate otherwise qualifies under this Contract Offer No. 26 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. 26 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. 26 and the other Concurrently Subscribed Contract Offers; any assignment or transfer by the Customer shall be subject to the provisions of Section 23.26.7(B), below, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 26 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 26 or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.8 Assignment/Transfer/Successors (Cont'd)

(B) Subject to the provisions of Section 23.26.7(A), above, the Customer may assign or transfer this Contract Offer if (i) the proposed assignee or transferee demonstrates credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); and (ii) neither the proposed assignee or transferee nor its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period.

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(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 23.26.7(B) is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.9 Mergers/Acquisitions and Sales/Divestitures

All provisions of this Contract Offer No. 26 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition, within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 26 for any purpose unless Customer chooses to include such services based on invocation of a Counting Request below. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the other entity shall not be eligible for any credits provided under this Contract Offer or be included in any calculations performed for purposes of this Contract Offer, including, without limitation, calculations regarding MARC-Eligible Services, MARC-Eligible Charges or satisfaction of the MARC, except as provided below:

Revenue from the acquired or acquiring company may be included in this Contract Offer, upon request from the Customer, subject to the following Terms and Conditions:

(A) Revenue attributable to the acquired or acquiring company would be included in calculations for the purpose of satisfaction of the MARC and determination of any shortfall, as provided in Section 23.26.5 of this Contract Offer, but will not be included in calculations regarding any credits provided under this Contract Offer, as provided in Section 23.26.6; and

(B) The Customer must maintain an Access Service Ratio of ninety-five percent (95%) or greater, calculated as described below, for services purchased by the Customer in the MSAs identified in Section 23.26.2(A)(2) of this Contract Offer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.9 Mergers/Acquisitions and Sales/Divestitures

(B) (Cont'd)

The Access Service Ratio is calculated as follows:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer and its affiliates' interstate recurring billed revenue associated with the rate elements defined in Table G, below:

TABLE G:

Service	**NBTC Tariff FCC No.1,**
DS1 and DS3 Services	Section 7 and 22
OCN PTP[1]	See footnote below
SONET[1] Services	See footnote below

(2) Wholesale Revenue is the Customer and its affiliates' recurring billed revenue for associated rate elements, as defined in Table H below, not included in the interstate tariff(s) and/or the Interstate Access Guidebook.

[1] OCN PTP, and SONET services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.9 Mergers/Acquisitions and Sales/Divestitures

(B) (Cont'd)

Table H

Service Level	**Associated Rate Elements Not Included in Interstate Tariff**
DS1	**4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services**
DS3	**DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services**
[1]OC-3 OC-12 OC-48	**[1]OC-3 Entrance Facilities OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing All OCN equivalent non-tariffed Committed Information Rate Broadband Service**
Other Transport Products	**Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport**

[1] OC-3, OC-12, and OC-48 services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone (N)

Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.26 Contract Offer No. 26 – Access Service Offer (Cont'd)

23.26.9 Mergers/Acquisitions and Sales/Divestitures

(B) (Cont'd)

(3) The terms of the Access Service Ratio applicable to this Contract Offer shall not alter the terms of any Access Service Ratio provision(s) of any other tariff(s) under which the Customer obtains service.

23.26.10 Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 26 or the other Concurrently Subscribed Contract Offers for any reason other than material breach by the Telephone Company or one of the other Qualified Companies, or if the Telephone Company terminates this Contract Offer No. 26 or one of the other Qualified Companies terminates its other Concurrently Subscribed Contract Offers as a result of a material breach by the Customer, then this Contract Offer No. 26 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge in the aggregate amount as follows:

(A) If termination occurs during the first eighteen (18) months after the Subscription Date, the termination liability charge will be equal to (i) one hundred percent (100%) of all credits issued under the Concurrently Subscribed Contract Offers for the last six (6) months prior to the date of termination (if any credits have been earned but not issued, they would not be issued), any MIC earned for the previous Term Year, and any Above the MARC –Credits earned for the previous Term Year, plus (ii) twenty-five percent (25%) of the MARCs applicable for the remainder of the Term Period, pro-rated according to the amount of time remaining in each Term Year.

(B) If termination occurs during the nineteenth (19th) month of the Term Period or later, the termination liability charge will be equal to one hundred percent (100%) of all credits issued under the Concurrently Subscribed Contract Offers for the last six (6) months prior to the date of termination (if any credits have been earned but not issued, they would not be issued), any MIC earned for the previous Term Year, and any Above the MARC Credits earned for the previous Term Year.

The Customer shall pay any termination liability charges no later than thirty (30) days after notice by the Telephone Company. Any termination liability charge due under the Concurrently Subscribed Contract Offers shall apply in addition to, and shall not affect, any termination liability charges that may otherwise apply according to the terms of any applicable NBTC Tariff F.C.C. No. 1. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.27 Contract Offer No. 27 – Access Service Offer

23.27.1 General Description

This DS1 Service Offer (Contract Offer No. 27) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 23.27.3, and the Terms and Conditions in Section 23.27.4, to disconnect Subject Services, as defined in Section 23.27.2, without incurring termination liability charges. This Contract Offer is available for subscription from July 26, 2012 through August 26, 2012. This Contract Offer is not renewable.

23.27.2 Subject Services

(A) Contract Offer No. 27 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services:

(1) Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Sections 7 and 22 – DS1 High Capacity Service.

(B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in NBTC Tariff F.C.C. No. 1, Section 22, and those listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.

Table A

MSA	
Non-MSA	NV

(C) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

23.27.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 27:

(A) The Customer must be purchasing, as of the Subscription Date, no fewer than fourteen (14) and no more than twenty (20) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.27 Contract Offer No. 27 – Access Service Offer (Cont'd)

23.27.4 Terms and Conditions

(A) Term Period. The term of this Contract Offer (Term Period) shall be eighty-four (84) months, beginning on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date).

(B) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.

(C) Subject Services eligible for termination liability 1waivers under this Contract Tariff shall not be eligible for similar termination liability waivers under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement.

(D) Commingling (as defined in NBTC Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 27 is prohibited.

(E) All traffic carried over Subject Services must originate or terminate at Mobile Switching Centers (MSCs) operated by, or on behalf of, the Customer.

(F) The Customer may disconnect any Subject Service without termination liability charges, provided that the conditions set forth below are met. If such termination liability charges are billed, the Telephone Company will issue credits to offset those charges.

(1) The Subject Service must have been in service for at least twelve (12) months prior to termination.

(2) The Subject Service must have been replaced by Ethernet-based service[1] provided to the Customer by the Telephone Company at the same Qualified Cell Site (Replacement Service).

[1] Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.27 Contract Offer No. 27 – Access Service Offer (Cont'd)

23.27.4 Terms and Conditions (Cont'd)

(F) (Cont'd)

(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

(4) Replacement Services must have a minimum Committed Information Rate ("CIR") of 10 Mbps at each affected Qualified Cell Site.

(5) The Customer must include the Customer Number associated with this Contract Offer on all disconnect orders for replaced Subject Services.

23.27.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or

(2) "high risk" in a Paydex score as published by Dun and Bradstreet. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.27 Contract Offer No. 27 – Access Service Offer (Cont'd)

23.27.5 Assignment/Transfer (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 23.27.5 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

23.27.6 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.28 Contract Offer No. 28 – Special Access Offer (N)

23.28.1 General Description

This Special Access Service Offer (Contract Offer No. 28) is an access services plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: The Southern New England Telephone Company(SNET) Tariff F.C.C. No. 39, Contract Offer No. 56; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 161; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 78; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 211, and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 Contract Offer No. 182 (collectively, with this Contract Offer No. 28, “Concurrently Subscribed Contract Offers”). Ameritech, PBTC, SNET, BellSouth and SWBT, with the Telephone Company, shall be identified herein as the “Qualified Companies.” (Nx)

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 23.28.3, and the Terms and Conditions in Section 23.28.4, to disconnect Subject Services, as defined in Section 23.28.2, without incurring termination liability charges. (N)

This Contract Offer is available for subscription from October 27, 2012 through November 27,2012. This Contract Offer is not renewable.

23.28.2 Subject Services

(A) Contract Offer No. 28 applies to pricing flexibility qualified access services contained in the following tariff sections (Subject Services):

(1) Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Sections 7 and 22 – DS1 and DS3 High Capacity Service. (N)

x – Issued under the authority of Special Permission No. 12-034 of the F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.2 Subject Services (Cont'd)

(A) Subject Services must be located in Metropolitan Statistical Areas (MSAs) for which the Telephone Company has been granted pricing flexibility relief as listed in NBTC Tariff F.C.C. No. 1, Section 22, and in the MSAs listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.

Table A

MSA	
Reno	NV

(B) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

23.28.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 28 discounted rates: (N)

(A) Concurrently Subscribed Contract Offers. (Nx)
Customer must concurrently subscribe to the following Contract Offers:

PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 161;
SNET Tariff F.C.C. No. 39, Section 25, Contract Offer No. 56;
BellSouth Tariff F.C.C. No. 1, Section 25, Contract Offer No. 78;
SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 182; and
Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 211. (Nx)

x – Issued under the authority of Special Permission No. 12-034 of the F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.3 Eligibility Criteria (Cont'd)

(A) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been operating no fewer than twenty-two thousand (22,000) and no more than twenty-seven thousand (27,000) cell sites, which must be activated and providing service within the operating territories of the Qualified Companies.. Such cell sites, together with any other cell sites for which Customer orders Subject Services at any time during the Term Period, are referred to in this Contract Offer as "Qualified Cell Sites."

(B) As of the time of the Customer's subscription to this Contract Offer, the Customer may not be purchasing interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers or any contract offer that will be terminated upon the Customer's subscription to Concurrently Subscribed Contract Offers.

(C) The Customer must be purchasing, as of the Subscription Date, no fewer than two hundred thousand (200,000) and no more than two hundred and twenty thousand (220,000) DS1 special access circuits from the Qualified Companies that terminate at Qualified Cell Sites.

(D) The Customer must be purchasing, as of the Subscription Date, no fewer than nineteen thousand (19,000) and no more than twenty thousand (20,000) DS3 special access circuits from the Qualified Companies that terminate at Qualified Cell Sites. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.4 Terms and Conditions

(A) Term Period. The term of this Contract Offer (Term Period) shall be eighty-four (84) months, beginning on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer (the Subscription Date).

(B) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.

(C) Subject Services for which the Customer receives termination liability waivers or credits under this Contract Offer shall not receive similar termination liability waivers or credits under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.

(D) The Customer may not be subscribed to any volume or revenue plans under the NBTC Tariff F.C.C. No. 1.

(E) Commingling (as defined in NBTC Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 28 is prohibited.

(F) All traffic carried over Subject Services must originate or terminate at Mobile Switching Centers (MSCs) operated by, or on behalf of, the Customer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.4 Terms and Conditions (Cont'd)

(A) The Customer may disconnect DS1 Subject Services without termination liability charges, provided that the conditions set forth below have been met. If such termination liability charges are billed, the Telephone Company will issue credits to offset those charges in arrears, on a quarterly basis.

(1) The Subject Service must have been in service for at least twelve (12) months prior to termination.
(2) The Subject Service must have been replaced by Ethernet- based service[1] provided to the Customer by the Telephone Company at the same Qualified Cell Site, with Ethernet[1] bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service).
(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

(B) The Customer may qualify for credits to be applied against termination liability charges billed for terminated DS3 Subjects Services ("DS3 Credits"), provided that the following conditions have been met.

(1) The Subject Service must have been continuously in service since the Effective Date of this Contract Offer.
(2) The Subject Service must have been in service for at least twenty-four (24) months prior to termination.
(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

[1] Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.4 Terms and Conditions (Cont'd)

(A) The Telephone Company will calculate and issue (when applicable) DS3 Credits for each three (3) month period during the Term Period, beginning from the Subscription Date (each such period to be referred to as a "Quarter"). DS3 Credits will be based on the equivalent of one terminated DS3 Subject Service for every twenty-eight (28) DS1 Subject Services that have been terminated without termination liability pursuant to Section (G), above, during the relevant Quarter ("Eligible DS1s"). The Telephone Company will determine the number of Eligible DS1s for the Quarter, divide the number of Eligible DS1s by twenty-eight (28), and round the quotient down to the nearest whole number. The result of this calculation will be referred to as the "DS3 Termination Allowance." The amount of the DS3 Credit will be calculated by multiplying the DS3 Termination Allowance times the average amount of all termination liability charges billed to the Customer per terminated DS3 Subject Service during the Quarter ("Average DS3 TLC").

Formula: DS3 Termination Allowance x Average DS3 TLC = DS3 Credit

Example: During Quarter X of the Term Period, the Customer terminates one hundred sixty-five (165) DS1 Subject Services without termination liability, as provided in Section 23.XX.4(H). During Quarter X, the Customer also terminates six (6) DS3 Subject Services. Total termination liability charges for the terminated DS3 Subject Services are $24,000. The DS3 Termination Allowance is 5 (165/28 = 5.89). The Average DS3 TLC is $4,000 ($24,000/6 = $4,000). The DS3 Credit is $20,000 ($4,000 x 5 = $20,000)

(B) The Customer must include the Contract Number associated with this Contract Offer on all disconnect orders for Subject Services. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to NBTC Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in NBTC South Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or

(2) "high risk" in a Paydex score as published by Dun and Bradstreet. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.28 Contract Offer No. 28 – Special Access Offer (Cont'd)

23.28.5 Assignment/Transfer (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.28.5 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

23.28.6 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.
(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.29 Contract Offer No. 29 – Access Service

23.29.1 General Description (N)

The Special Access Service Offer (Contract Offer No. 29, or Contract Offer) is a Minimum Annual Revenue Commitment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 185; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 164; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 58; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 80; and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 215 (collectively, with this Contract Offer No. 29, the "Concurrently Subscribed Contract Offers"). SWBT, PBTC, SNET, BellSouth, Ameritech and the Telephone Company may be identified as the "Qualified Companies." (Nx)

The Concurrently Subscribed Contract Offers require the Customer to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 23.29.5. The MARC consists of certain recurring revenues from "MARC-Eligible Services" as defined in Section 23.29.5(A), below for Services listed under this Contract Offer, purchased from the Qualified Companies, and as provided in the Concurrently Subscribed Contract Offers (N)

The MARC-eligible services provided by the Telephone Company are described in Section 23.29.2.

Contract Offer No. 29 will be available for subscription only from March 30, 2013 through April 30, 2013. This offer is not renewable.

23.29.2 Subject and Non-Subject Services

Those services for which recurring charges are included in MARC calculations under this Contract Offer (MARC-eligible services) are: (i) Subject Services, listed in Table B, below; and (ii) Non-Subject Services, listed in Table C, below. Subject Services and Non-Subject Services must be provided by the Telephone Company and located within the "Operating Territory" of the Telephone Company, as described in NBTC Tariff F.C.C. No. 1, Section 17 (Operating Territory). (N)

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ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.2 Subject and Non-Subject Services (Cont'd)

(A) Contract Offer No. 29 is available for qualified special access services located in the MSAs for which the Telephone Company has been granted Phase II pricing flexibility, as listed in NBTC Tariff F.C.C. No. 1, Section 22, and those listed in Table A. During the Term Period of this Contract Offer No. 29, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 or Table A, as applicable, at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 29.

Table A

Non-MSA	NV

(B) Subject Services

Subject Services are pricing flexibility qualified access services or rate elements listed in Table B, below.

Table B – Subject Services

Category	**Services Included**
Interstate special access located in pricing flexibility Metropolitan Statistical Areas (MSAs), including all rate elements that qualify for either Phase I or Phase II pricing flexibility.	All Voice Grade (VG),DS0, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.2 Subject and Non-Subject Services (Cont'd)

(C) Non-Subject Services. Non-Subject Services are listed in Table C, below.

Table C – Non-Subject Services

Category	Services Included
Interstate special access Services provided by the Telephone Company but not located in pricing flexibility Metropolitan Statistical Areas (MSAs) or any rate elements located in pricing flexibility MSAs but not subject to pricing flexibility relief.	Any VG, DS0, DS1, and DS3 special access services and rate elements not listed in Table B
Broadband interstate special access	[1] Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), Multi-Service Optical Network (MON) Ring Service, GigaMAN®, DecaMAN®, WaveMAN℠, Opt-E-MAN® and AT&T Switched Ethernet Service

(D) All terms and conditions for those MARC-Eligible Services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer. All terms and conditions for those MARC-Eligible Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.

(E) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are provided by the Telephone Company during the Term Period, but which were not available as of the effective date of this Contract Offer No. 29.

[1] Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), GigaMAN®, DecaMAN®, WaveMAN℠, OPT-E-MAN Service and AT&T Switched Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 29: (N)

(A) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers: (Nx)

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 29;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 164;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 185;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 215;
- BellSouth Tariff F.C.C. No. 1, Contract Offer No. 80; and
- SNET Tariff F.C.C. No. 39, Contract Offer No. 58. (Nx)

As of the time of the Customer's subscription to this Contract Offer, the Customer may not be purchasing interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers unless such other individually negotiated tariff or agreement expressly refers to the Concurrently Subscribed Contract Offers. For purposes of this Section 23.29.3, tariff discount plans other than pricing flexibility contract tariffs shall not be deemed to be individually negotiated. (N)

23.29.4 General Terms and Conditions

The following terms and conditions apply to this Contract Offer:

(A) Subscription.
To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must identify in the LOS all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer. (N)

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ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.4 General Terms and Conditions (Cont'd)

(B) Term Period.
The term of this Contract Offer No. 29 (Term Period) shall be sixty (60) months, beginning on either (i) the first day of the calendar month following the date on which the Letter of Subscription (LOS) is signed by the Customer (Subscription Date) if the Subscription Date is within the last five (5) days of a calendar month, or (ii) if (i) does not apply, the first day of the calendar month in which the Subscription Date occurs. Each successive twelve (12) month period of the Term Period, beginning with the Subscription Date, shall be referred to as a Term Year. The benefits of this Contract Offer, including, without limitation, the accrual of credits pursuant to this Contract Offer, and Customer's obligation to meet the MARC, shall cease upon the expiration of the Term Period.

(C) Credits earned by the Customer under this Contract Offer No. 29 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 23.29.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.

(D) MARC-Eligible Services may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed. If either party determines that the Customer is purchasing service pursuant to an Other Commitment Agreement, parties will cooperate in good faith to modify or terminate such Other Commitment in a manner consistent with this Contract Offer. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.4 General Terms and Conditions (Cont'd)

(E) Credits to be provided under this Contract Offer will not be issued unless and until the Customer has paid all billed charges for MARC-Eligible Services due and owing as of the date the credits are issued (excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer.

(F) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of NBTC Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(G) The Customer must maintain an Access Service Ratio of eighty five percent (85%) or greater, calculated as described below, for services purchased by the Customer in the MSAs identified in Section 23.29.2 of the Contract Offer and in the analogous sections of the other Concurrently Subscribed Contract Offers (calculated in the aggregate).

The Access Service Ratio is calculated as follows in the aggregate, for all of the Concurrently Subscribed Contract Offers:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's interstate recurring billed revenue, in the aggregate, for all of the Concurrently Subscribed Contract Offers associated with the rate elements defined in Table D, below:

Table D

Service	NBTC Tariff F.C.C. No. 1,
VG, DS1 and DS3 Services	Sections 7 and 22

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.4 General Terms and Conditions (Cont'd)

(G) (Cont'd)

(1) Wholesale Revenue is the Customer's recurring billed revenue for associated rate elements, as defined in Table E, below, not included in the interstate tariff(s) and/or the Interstate Access Guidebook.

Table E

Service Level	Associated Rate Elements Not Included in Interstate Tariff
VG	VG Loop VG Entrance Facilities VG Interoffice Transport VG Cross Connects VG Multiplexing
DS0	DS0 Loop DS0 Entrance Facilities DS0 Interoffice Transport DS0 Cross Connects DS0 Multiplexing
DS1	4 – Wire Digital Loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing
DS3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber – Cross Connects Unbundled Dedicated Transport

(3) The terms of the Access Service Ratio applicable to this Contract Offer shall not alter the terms of any Access Service Ratio provision(s) of any other tariff under which the Customer obtains service. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.4 General Terms and Conditions (Cont'd)

(H) Breach and Cure.

If either party breaches any material term of this Contract Offer, and the breach continues un-remedied for sixty (60) days after written notice of default, or in case of the Customer's breach of the provisions of Section 23.29.4(G) (Access Service Ratio) one hundred twenty (120) days after written notice of default, the other party may terminate this Contract Offer for cause. If the Customer is in breach of its payment obligations, and fails to make payment in full within thirty (30) days after receipt of written notice of default, the Telephone Company may, at its option, terminate this Contract Offer, terminate any Subject Services, suspend the Customer's ordering capability, and/or require a deposit, advanced payment, or other satisfactory assurances as a condition of the continued effectiveness of this Contract Offer and/or the continued provision of Subject Services, except that the Telephone Company will not take any such action as a result of the Customer's non-payment of a charge subject to a timely billing dispute, unless the Telephone Company has reviewed the dispute and determined that the charge is correct. The foregoing sentence does not limit the Telephone Company's right to withhold credits, as provided in Section 23.29.4(E). This Contract Offer may be terminated by either party immediately upon written notice if the other party has become insolvent or involved in a liquidation or termination of its business, or adjudicated bankruptcy, or been involved in an assignment for the benefit of its creditors. The Customer shall be liable to the Telephone Company for termination liability charges, as provided in Section 23.29.13. This Section 23.29.4 shall not alter the rights of the Telephone Company in case of interference with, impairment of or unlawful use of service. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

The Customer must satisfy a Minimum Annual Revenue Commitment (MARC) for each Term Year. Calculations related to the MARC (including satisfaction of the MARC) shall be determined according to gross billed recurring charges under Eligible ACNAs, after application of any discounts or credits applicable to those recurring revenues (except Area Commitment Plan credits under the BellSouth Tariff F.C.C. No. 1, any credits issued under the Concurrently Subscribed Contract Offers and any circuit-specific monthly recurring charge credits for any broadband services provided under a broadband services agreement with the Qualified Companies, as well as adjustments for overbilling, under billing and billing dispute settlements addressed during the Annual True-up Process only, for MARC-Eligible Services, as defined in the Concurrently Subscribed Contract Offers and purchased under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). MARC-eligible services, as described in the Concurrently Subscribed Contract Offers, are collectively referred as "MARC-Eligible Services." The Customer's MARC-Eligible Charges shall specifically exclude MARC Attainment Credits, non-recurring charges, usage-based charges. The Customer's MARC obligation shall be a continuing obligation during the entire Term Period.

(B) MARC Calculations

The Customer's MARC for the first year of the Term Period shall be the greater of: (i) ninety five million dollars ($95,000,000), or (ii) Customer's MARC-Eligible Charges during the three (3) months immediately prior to the Subscription Date, multiplied by four (4), rounded up to the nearest thousand dollars. The MARC for each subsequent Term Year shall be the greater of the MARC-Eligible charges for the last three (3) full calendar months of the previous Term Year multiplied by four (4), rounded up to the nearest thousand dollars or the MARC from the previous Term Year. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit

(A) The Customer will qualify for MARC Attainment Credits ("MAC") as provided in this Section 23.29.6 if it meets the requirements specified in this Section 23.29.6. The amount of the MAC for which the Customer qualifies will be determined according to the amount of the Customer's MARC-Eligible Charges, as provided in Table F, below, subject to the provisions of this Section 23.29.6.

Each Term Year will be divided into three (3) periods of four (4) consecutive months, for purposes of applying MAC (each such period to be referred to as an "Attainment Credit Period"). During the first two (2) Attainment Credit Periods of each Term Year, the Customer will qualify for a MAC for any Attainment Credit Period during which the Customer's MARC-Eligible Charges are equal to or greater than one-third (1/3) of the MARC that applies during that Term Year. The MAC for the first two (2) Attainment Credit Periods of each Term Year will be calculated by multiplying the Applicable Credit Percentage (as shown in Table F) associated with the "Initial Credit Tier" for that Term Year by the amount of the Customer's MARC-Eligible Charges attributable to Subject Services during that Attainment Credit Period. For the avoidance of doubt, the Applicable Credit Percentage (as shown in Table F) is based on the Term Year 1 MARC for all Term Years, and shall not be adjusted for any increases in the MARC after Term Year 1. The "Initial Credit Tier" for each Term Year will be the Credit Tier for which the MARC for that Term Year falls within the range from the Minimum MARC-Eligible Charges through the Maximum MARC-Eligible Charges associated with that Credit Tier. The MAC for the third (3rd) Credit Attainment Period of each Term Year shall be determined according to the "Annual True-Up of MARC Attainment Credits," as described in Section 23.29.6 (B), below. If the Customer does not qualify for a MAC for any Attainment Credit Period, no MAC will be issued at the end of that Credit Attainment Period; however, the Customer may be eligible to receive the MAC subsequently, as provided in the "Annual True-Up of MARC Attainment Credits," as described in Section 23.29.6(B), below. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit (Cont'd)

(A) (Cont'd)

Any MAC shall be allocated among the Concurrently Subscribed Contract Offers in proportion to the MARC-Eligible Charges attributable to Subject Services, and billed under each of the Concurrently Subscribed Contract Offers during the relevant Attainment Credit Period. Any MAC will be issued in arrears, within ninety (90) days after the end of the Attainment Credit Period during which the Customer qualified for the MAC.

Example 1:
Assume that the Customer's MARC for Term Year 1 is $100 million. The Initial Credit Tier for Term Year 1 will be Tier 1 (which includes the range from $100 million to $109,999,999.99), and the "Applicable Credit Percentage" for the first two Credit Attainment Periods of Term Year 1 will be five percent (5%). During the first Credit Attainment Period of Term Year 1, the Customer's total MARC-Eligible Charges are $34 million, and the MARC-Eligible Charges attributable to Subject Services are $20 million. Because the Customer's MARC-Eligible Charges are greater than one-third of the MARC, a MAC will be issued for five percent (5%) of $20 million, or $1 million, for the first Credit Attainment Period of Term Year 1.

Example 2:
Assume that the Customer's MARC for Term Year 2 is $110 million. The Initial Credit Tier for Term Year 2 will be Tier 2 (which includes the range from $110 million through $120,999,999.99), and the "Applicable Credit Percentage" for the first two Credit Attainment Periods of Term Year 2 will be six percent (6%). During the first Credit Attainment Period of Term Year 2, the Customer's total MARC-Eligible Charges are $38 million, and the MARC-Eligible Charges attributable to Subject Services are $25 million. Because the Customer's MARC-Eligible Charges are greater than one-third of the MARC, a MAC will be issued for six percent (6%) of $25 million, or

(N)

$1.5 million, for the first Credit Attainment Period of Term Year 2.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit (Cont'd)

(A) (Cont'd)

Table F: MARC Attainment Credit Schedule

Credit Tier	**MARC Eligible Charges (inclusive)**		**Applicable Credit Percentage**
	Minimum MARC-Eligible Charges	Maximum MARC-Eligible Charges	
1	Term Year 1 MARC	(110% of First Year MARC) minus $.01	5%
2	110% of Term Year 1 MARC	(110% of Tier 2 Minimum) minus $.01	6%
3	110% of Tier 2 Minimum	(110% of Tier 3 Minimum) minus $.01	7%
4	110% of Tier 3 Minimum	(110% of Tier 4 Minimum) minus $.01	8%
5	110% of Tier 4 Minimum	(110% of Tier 5 Minimum) minus $.01	9%
6	110% of Tier 5 Minimum	None	10%

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit (Cont'd)

(B) Annual True-up Process

(1) Annual Shortfall. If, at the end of any Term Year, the amount of the Customer's MARC-Eligible Charges is less than the MARC for that Term Year, the Qualified Companies shall bill, and the Customer shall pay, an amount equal to the difference between the MARC and the Customer's MARC-Eligible Charges for that Term Year ("Annual Shortfall"). Any Annual Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Upon payment of the Annual Shortfall, the Qualified Companies shall issue to the Customer a credit in the amount, if any, by which the "Minimum Annual MAC" exceeds the MAC previously issued to the Customer during that Term Year. The "Minimum Annual MAC" is the product of (a) the Applicable Credit Percentage associated with the Initial Credit Tier for that Term Year times (b) the MARC-Eligible Charges attributable to Subject Services during the relevant Term Year. Notwithstanding the foregoing, the Qualified Companies may, with the agreement of the Customer, offset all or part of the credit amount against all or part of the Annual Shortfall, in lieu payment of the full amount of the Annual Shortfall. In either case, the credit issued to the Customer may be referred to as a "Shortfall True-Up Credit." Any Shortfall True-Up Credit will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit (Cont'd)

(B) Annual True-up Process (Cont'd)

(1) Annual Shortfall. (Cont'd)

Example:

Assume that, the Customer's Term Year 1 MARC was $100 million, and its Term Year 2 MARC is $110 million, so the Initial Credit Tier is Tier 2, and the Applicable Credit Percentage is six percent (6%). Also assume that, during Term Year 2, the Customer receives $2 million in MAC during the first two Credit Attainment Periods of Term Year 2 and that, as of the end of Term Year 2, the Customer's MARC-Eligible Charges are $109 million, of which the amount attributable to Subject Services is $80 million. The Customer must pay an Annual Shortfall of $1 million. Upon payment of that amount, the Qualified Companies will issue a Shortfall True-Up Credit to the Customer in the amount of $2.8 million (6% x $80 million = $4.8 million, minus $2 million in MAC previously issued during Term Year 2). In the alternative, with the Customer's agreement, the Qualified Companies could instead offset the $1 million Annual Shortfall against the $2.8 million credit amount, and issue to the Customer a Shortfall True-Up Credit of $1.8 million.

(1) Annual True-Up of Attainment Credits. If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges is equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit (a "MAC Achievement Credit") in the amount by which the "Achieved Annual MAC" exceeds the MAC previously issued to the Customer during that Term Year. The "Achieved Annual MAC" is equal to the product of (a) the Applicable Credit Percentage for the Credit Tier associated with the amount of the Customer's MARC-Eligible Charges for that Term Year times (b) the MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Any MAC Achievement Credit will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services during the relevant Term Year. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.6 MARC Attainment Credit (Cont'd)

(B) Annual True-up Process (Cont'd)

(1) Annual True-Up of Attainment Credits. (Cont'd)

Example:

Assume that the Customer's Term Year 1 MARC was $100 million, and its Term Year 2 MARC is $110 million. Also assume that the Customer's MARC-Eligible Charges for Term Year 2 are $123 million, of which the amount attributable to Subject Services is $80 million, and that the Customer has received $2 million in MAC during the first two Credit Attainment Periods of Term Year 2. The Credit Tier applicable in Term Year 2 will be Tier 3 (which applies if the Customer's MARC-Eligible Charges fall in the range from $121,000,000 through $133,099,999.99), and the Applicable Credit Percentage is seven percent (7%). The Qualified Companies will issue a MAC Achievement Credit in the amount of $3.6 million (7% x $80 million = $5.6 million, minus $2 million in MAC previously issued in Term Year 2)

23.29.7 Rate Stability Credit

If the Telephone Company increases the Monthly Recurring Charges (MRCs) applicable to Subject Services in Phase II pricing flexibility MSAs, as listed in NBTC Tariff F.C.C. No. 1, Section 22, the Telephone Company will issue credits to the Customer to offset the increase in MRCs. The amount of such credits, if applicable, will be equal to the difference between the increased MRCs and the MRCs in effect as of the Subscription Date, during the period to be covered by the credits. Any such credits will be issued concurrently with MAC, as provided in Section 23.29.6, provided, however, that the following shall not be considered such a rate increase: (i) any rate change resulting from a grant of Phase II pricing flexibility for any MSA subject to this Contract Offer, or (ii) any change in applicable charges due to the expiration of a term commitment or payment plan. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.8 Service Level Assurance

(A) Service Level Assurance (SLA). The Customer will be eligible for additional credits if certain Service Level Assurance (SLA) benchmarks are not achieved by the Qualified Companies, as provided below. SLA Benchmark measurements will be calculated in the aggregate, for all DS1 and DS3 Subject Services provided to the Customer by the Qualified Companies, for each Term Year. SLA benchmark measurements will be calculated according to the Qualified Companies' generally applicable business rules and criteria associated with each of the SLA benchmark measurements. The SLA benchmarks will apply to both DS1 and DS3 services on a combined basis. SLA will apply to the following service performance measurements.

(1) Mean Time to Repair (MTTR). "Mean Time to Repair" means the sum of the "Receipt to Restore Durations" of "Total Trouble Reports" divided by the number of Total Trouble Reports. "Total Trouble Reports" means all closed Customer trouble reports. "Receipt to Restore Duration" means the number of minutes (converted to hours) from the date and time each such trouble report is received by the Telephone Company to the date and time each such trouble report is closed.

(2) On Time Delivery. "On Time Delivery" means the percentage of total Customer orders that are completed on or before their due dates.

(3) New Circuit Failure Rate. "New Circuit Failure Rate" means the percentage of total for new circuits that are subject to trouble reports within thirty (30) calendar days after the date of installation.

(4) Repeat Reports within 30 Days. "Repeat Reports within 30 Days" means the percentage of closed trouble reports for any circuit that are received within thirty (30) calendar days after the restoral date of a prior closed trouble report for the same circuit. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.8 Service Level Assurance (Cont'd)

(B) SLA Measurements and Benchmarks. If the Qualified Companies fail to achieve the benchmarks set forth in Table G, below, SLA Credits shall apply as provided in Section 23.29.8 (C), below.

Table G – SLA Measurements and Benchmarks

Measurement	Benchmark
MTTR	4.5 Hours
On Time Delivery	95%
New Circuit Failure Rate	4.5%
Repeat Reports	14.5%

(C) SLA Credits. Within ninety (90) days after the end of each Term Year, the Qualified Companies will provide the Customer with a report of performance for the SLA measurements set forth in this Contract Offer. If the Qualified Companies fail to achieve the benchmarks in this Contract Offer, the Qualified Companies will issue SLA Credits to the Customer, as set forth in Table H, below (SLA Credits). A single SLA Credit will apply per SLA benchmark, per Term Year, for the Qualified Companies in the aggregate. Any SLA Credits will be issued to the Customer within ninety (90) days after the end of each Term Year, and will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year.

Table H – SLA Performance Credits

Measurement	Credit if Benchmark Not Achieved Per Term Year
MTTR	$100,000
On Time Delivery	$100,000
New Circuit Failure Rate	$100,000
Repeat Reports within 30 days	$100,000

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.9 Termination Liability Credit.

The Qualified Companies will bill, and the Customer shall pay termination liability charges as they come due in accordance with applicable tariffs. The Qualified Companies will issue credits for otherwise applicable termination liability charges for moves and/or disconnections of non-channelized DS1 and/or non-channelized DS3 Subject Services located in pricing flexibility MSAs, which circuits connect to end user locations, up to the maximum credit amounts set forth in Table I, below. A single maximum Termination Liability Credit will apply per Term Year for the Qualified Companies in the aggregate. In the event that termination liability charges for any moves and/or disconnections eligible for credits under this provision are billed by the Qualified Companies, the Telephone Company will issue credits for such charges once every four months up to the maximum Termination Liability Credit amount shown in Table I, below, within ninety (90) days after the end of the four (4) month period. Termination Liability Credits will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year.

Subject Services eligible for termination liability waivers under the Concurrently Subscribed Contract Offers shall not be eligible for similar termination liability waivers under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement.

(A) Any DS1 Subject Service must have been in service for a minimum of one (1) month from its original installation date.

(B) Any DS3 Subject Service must have been in service for a minimum of one (1) year from its original installation date. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.9 Termination Liability Credit (Cont'd)

Table I: Termination Liability Credit

Term Year	If MARC is	**Maximum Credit in Term Year**
1	Term Years 1 MARC	$2,000,000
2 through 5	110% of Term Year 1 MARC	$2,500,000
2 through 5	120% of Term Year 1 MARC	$3,000,000
2 through 5	130% of Term Year 1 MARC	$3,500,000
2 through 5	140% of Term Year 1 MARC	$4,000,000
2 through 5	150% of Term Year 1 MARC	$4,500,000

23.29.10 Non-Recurring Charge Credit

The non-recurring charges (NRCs) set forth in NBTC FCC Tariff Section 1, Parts 5, 7, 13 and 22, shall apply to Subject Services provided under this Contract Offer, subject to this Section 23.29.10.

(A) The Qualified Companies shall establish on behalf of the Customer a credit pool in the amount of two million seven hundred fifty thousand dollars ($2,750,000) for each Term Year to be applied against NRCs otherwise applicable to certain Subject Services during the Term Period (NRC Credit Pool). The credit pool will be available only for the reimbursement of NRCs associated with the following USOCS: (i) TMECS (for DS1 Subject Services); and (ii) Z3MAC and Z3MAP (for DS3 Subject Services). NRC Credits shall be applied against NRCs associated with installations or moves of Subject Services. Notwithstanding anything to the contrary in the foregoing sentence, NRC Credits shall not be applied against: (i) NRCs subject to waivers or credits other than those provided under this Section 23.29.10; (ii) Special Construction Charges; or (iii) termination liability, shortfall, true-up or other charges resulting from customer's failure to satisfy a term, revenue or volume commitment. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.10 Non-Recurring Charge Credit

(A) The Qualified Companies will bill in accordance with NBTC F.C.C. Tariff No. 1, Parts 5, 7, 13 and 22, and the Customer shall pay NRCs as they come due. The Qualified Companies will review billing for such NRCs after each four (4) month period, and will issue credits to the Customer against all such NRCs billed within such Term Year up to the maximum amount of two million seven hundred fifty thousand dollars ($2,750,000) for each Term Year. Non-Recurring Charge Credits, if any, will be issued no later than ninety (90) days after the end of each four (4) month period.

(C) Non-Recurring Charge Credits shall apply only to the installation of new DS1 and DS3 Subject Services in MSAs eligible for pricing flexibility. Non-Recurring Charge Credits shall not apply to Access Order Charges, or the substitution, change or rearrangement of any facilities used in providing service under this tariff. The credit pool will be available for reimbursement of NRCs associated with the DS1 USOC: TMECS and with the DS3 USOCs Z3MAC and Z3MAP.

23.29.11 Assignment/Transfer/Successors

(A) Subject to the provisions of Section 23.29.12, the Customer may assign or transfer this Contract Offer if (i) the proposed assignee or transferee demonstrates credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); and (ii) neither the proposed assignee or transferee nor its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period.

(1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment

(This page filed under Transmittal No. 245) (N) grade and have been placed on review by the rating organization for a possible downgrade.

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.11 Assignment/Transfer/Successors

(A) (Cont'd)

(2) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:

(a) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
(b) "high risk" in a Paydex score as published by Dun and Bradstreet.

(3) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (1) or (2) of this Section 23.29.11 (A) 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.

23.29.12 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions, as outlined herein, and existing or new services purchased by such other company may not be included in, or purchased under, this Contract Offer. 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. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.13 Termination Liability Charges

(A) Termination liability charges will apply to Subject Services if, and to the extent, such charges apply according to any applicable provisions of NBTC Tariff F.C.C. No. 1. Termination liability charges apply to this Contract Offer, in addition to any termination liability charges that may apply to Subject Services, as provided in this Section 23.29.13.

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 29 or any of the other Concurrently Subscribed Contract Offers for any reason other than material breach by the Telephone Company or one of the other Qualified Companies, or if the Telephone Company terminates this Contract Offer No. 29, or if one of the other Qualified Companies terminates its other Concurrently Subscribed Contract Offer as a result of a material breach by the Customer, then this Contract Offer No. 29 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge equal to the MARC Termination Charge plus the aggregate of the following: (as defined below), if any, (i) the "Pro-rated True-Up Amount" (as defined below), if any, and (ii) the last two (2) MACs earned by the Customer prior to termination. However, if such earned MACs have not yet been issued by the Telephone Company, the Customer shall not repay such MACs. Instead, any unissued MAC will not be issued.

(B) The MARC Termination Charge shall be equal to one of the following, as applicable:

(1) If this Contract Offer is terminated in Term Year 1, 10 percent (10%) of the MARC for the remaining portion of Term Year 1, plus 10 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 1 as the MARC for each of Term Years 2-5); (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.13 Termination Liability Charges (Cont'd)

(A) (Cont'd)

(2) If this Contract Offer is terminated in Term Year 2, 12.5 percent of the Term Year 2 MARC for the remaining portion of Term Year 2, plus 12.5 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 2 as the MARC for each of Term Years 3-5);

(3) If this Contract Offer is terminated in Term Year 3, 12.5 percent of the Term Year 3 MARC for the remaining portion of Term Year 3, plus 12.5 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 3 as the MARC for each of Term Years 4 and 5);

(4) If this Contract Offer is terminated in Term Year 4, 12.5 percent of the Term Year 4 MARC for the remaining portion of Term Year 4, plus 12.5 percent of the MARC for the remaining year of the Term Period (determined using the MARC for Term Year 4 as the MARC for Term Year 5); or

(5) If this Contract Offer is terminated in Term Year 5, 12.5 percent of the Term Year 5 MARC for the remaining portion of Term Year 5.

(C) The "Pro-rated True-Up Amount" will be equal to the difference, if any, between the pro-rated MARC for that Term Year under this Contract Offer, as of the termination effective date, minus the aggregate of (a) the MARC-Eligible Charges, and (b) any Shortfall charges paid for the Term Year in which the termination occurs.

For avoidance of doubt, if the Pro-rated True-Up Amount is a negative number (i.e., Customer has, on a year-to-date basis, paid MARC-Eligible Charges and Annual Shortfall charges in excess of the pro-rated MARC for that Term Year as of the termination effective date), the Pro-rated True-Up Amount shall be zero, and the amount of termination liability owed by Customer under this section shall be reduced as follows: (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.29 Contract Offer No. 29 – Access Service (Cont'd)

23.29.13 Termination Liability Charges (Cont'd)

(B) (Cont'd)

(1) by either ten percent (10%) if termination occurs during Term Year 1, or twelve and one half percent (12.5%) if termination occurs during any other Term Year, of the excess, if any, of

(a) the MARC-Eligible Charges for that Term Year, over
(b) the pro-rated MARC for the period covered by the Pro-rated True-Up Amount; and

(2) if there is a reduction under Section 23.29.13(C)(1), by the amount of any Annual Shortfall charges paid for that Term Year, not to exceed the excess amount determined under Section 23.29.13(C)(1), above; or

(3) if there is no reduction under Section 23.29.13(C)(1), then by the excess of

(a) the MARC-Eligible Charges and Annual Shortfall charges paid for that Term Year, over
(b) the pro-rated MARC for the period covered by the Pro-rated True-Up Amount.

If the aggregate reduction under Section 23.29.13(C)(1) and (2), or the reduction under Section 23.29.13(C)(3), exceeds the amount of the termination liability owed by Customer under this Section, then the Telephone Company shall issue a credit in the amount of such excess.

The Customer will pay in full any termination liability charge within thirty (30) days after notice by the Telephone Company. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (N)

23.30 Contract Offer No. 30 – Special Access Wireless DS1 Service Offer

23.30.1 General Description

This Special Access Service Offer (Contract Offer No. 30) is an access discount pricing plan. This Contract Offer permits Customers who meet the Eligibility Criteria in Section 23.30.3, and the Terms and Conditions in Section 23.30.4, to purchase the Subject Services listed in Section 23.30.2 and to receive rates and charges as provided in Section 23.30.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSAs) listed in Section 23.30.2(B).

This Contract Offer is available for subscription from June 1, 2013 through July 1, 2013. This Contract Offer is not renewable.

23.30.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: Nevada Bell Telephone Company ("NBTC) Tariff F.C.C. No. 1, Sections 7 and 22 – DS1 High Capacity Service.

(B) Subject Services must be located in the MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in NBTC F.C.C. No. 1, Section 22, and those listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 22 or Table A, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 30.

Table A

MSA	
Non-MSA	NV

(C) Subject Services must originate or terminate on a wireless carrier's network. (N)

(This page filed under Transmittal No. 247)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.2 Subject Services (Cont'd)

(D) Subject Services must terminate at a cell site which satisfies all of the following criteria: (i) is a site at which the Customer is purchasing Ethernet-based[1] service from the Telephone Company, having a Committed Information Rate of at least twenty (20) megabits per second (Mbps), and a term commitment of at least eighty-four (84) months, (ii) is in operation as of the Effective Date, and (iii) is not subject to any other contract offer dependent upon the purchase of Ethernet-based[1] services from the Telephone Company. Cell sites that meet these criteria are referred to in this Contract Offer as "Qualified Cell Sites."

(E) Subject Services may not be subject to any other contract offer as of the Effective Date of this Contract Offer. The Customer may not purchase Subject Services under this Contract Offer at any cell sites to which subject services (as defined under another Contract Offer) are provided under such other Contract Offer.

23.30.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date that this Contract Offer becomes effective (Effective Date):

(A) The Customer must have purchased interstate special access DS1 and DS3 services with total billed monthly recurring charges, net of discounts and credits, during the twelve (12) months prior to the Effective Date of this Contract Offer, of at least one hundred fifty million dollars ($150,000,000) from, collectively, the Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, Southwestern Bell Telephone Company, BellSouth Telecommunications, LLC and The Southern New England Telephone Company.

[1] Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.3 Eligibility Criteria (Cont'd)

(B) The Customer must be operating, as of the Effective Date of this Contract Offer, no fewer than the minimum number and no more than the maximum number of Qualified Cell Sites within the Telephone Company's incumbent local exchange area in each of the MSAs listed in Table B, below.

Table B

MSA	**Minimum Number of Cell Sites in MSA**	**Maximum Number of Cell Sites in MSA**
Reno, NV	20	40

(C) The Customer must be purchasing, as of the Effective Date of this Contract Offer, no fewer than the minimum number and no more than the maximum number of DS1 special access circuits from the Telephone Company within each of the MSAs listed in Table C, below, each of which terminate at Qualified Cell Sites.

Table C

MSA	**Minimum Number of DS1 special access circuits in MSA**	**Maximum Number of DS1 special access circuits in MSA**
Reno, NV	20	120

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.3 Eligibility Criteria (Cont'd)

(D) The Customer must be purchasing, as of the Effective Date, Ethernet[1] Services at no fewer than ten thousand (10,000) Qualified Cell Sites from, collectively, the Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, Southwestern Bell Telephone Company, BellSouth Telecommunications, LLC and The Southern New England Telephone Company.

(E) During the twelve (12) months prior to the Subscription Date, the Customer must have purchased long distance voice services from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet,[2] representing aggregate recurring billed revenues of no less than one hundred fourteen million dollars ($114,000,000) during those twelve (12) months, after applicable discounts, credits and adjustments.

23.30.4 Terms and Conditions

(A) Term Period
The term of this Contract Offer (Term Period) commences on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer (Subscription Date), and ends on December 1, 2020. Upon expiration or termination of the Term Period, all Subject Services shall be provided according to the prevailing monthly extension rates in NBTC Tariff F.C.C. No. 1, Sections 22.5.2.6.1 and 7.11.5.3, unless:

(i) The Customer selects an applicable Term Pricing Plan/Optional Payment Plan; or
(ii) Either Party disconnects the Subject Services in a manner consistent with NBTC Tariff F.C.C. No. 1, Section 22.5.2.6.1.

[1] Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

[2] ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/ (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.4 Terms and Conditions (Cont'd)

(B) Grandfathering or Sunsetting of Subject Services

Notwithstanding anything to the contrary in this Contract Offer, this Contract Offer shall not prevent the Telephone Company from limiting or precluding new purchases or reconfigurations of Subject Services, or from terminating the provision of Subject Services entirely, prior to the end of the Term Period to the extent permitted by applicable law. Any such changes will be implemented by amending the applicable tariff sections.

(C) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in NBTC Tariff F.C.C. No. 1, Sections 2, 5, 7, 13 and 22, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of NBTC Tariff F.C.C. No. 1, Sections 2, 5, 7, 13 or 22, this Contract Offer shall govern over the conflicting provision.

(2) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.

(3) During the Term Period, the Customer (including any of its affiliates) may not order or purchase any Subject Service (including the continuing purchase of any service previously ordered) which is subject to any other: (i) contract offer, (ii) pricing flexibility contract offer containing a revenue commitment or revenue objective (e.g., Minimum Annual Revenue Commitment (MARC), Quarterly Revenue Objective (QRO)), or volume commitment in which Subject Service revenue from this Contract Offer is eligible to be included, unless such other contract offer specifically refers to this Contract Offer, (iii) promotional offering, or (iv) any other discount plan or agreement, except as expressly provided in the above.

(N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(4) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Customer may purchase Subject Services pursuant to this Contract Offer. The LOS will also include a list of all Qualified Cell Sites at which the Customer may purchase Subject Services. The Contract Offer will not apply to services purchased under, or transferred from, other ACNAs, or services purchased for other cell sites.

(5) All Subject Services must be ordered under a Term Payment Plan ("TPP"), as described in Section 22 of NBTC Tariff F.C.C. No. 1, under the longest term commitment available at the time of the Customer's order, or at month-to-month rates if no TPP rate is available at the time of the Customer's order. This ordering requirement is for administrative purposes only, to assure the proper provisioning and billing of Subject Services. Subject Services will not be subject to any term commitment or termination liability charges as provided in Section 22, or to any other ordering obligations inconsistent with this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 23.30.5 of this Contract Offer.

(6) Termination Liability charges shall not apply to the conversion to this Contract Offer of any Subject Service previously provided pursuant to NBTC Tariff F.C.C. No. 1. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions (Cont'd)

(7) The Customer may disconnect any Subject Service without termination liability charges unless Customer has an uncured material breach of this Contract Offer or of any other applicable tariff provision with respect to such Subject Services. The Telephone Company will initially bill such termination liability charges. Following receipt of any invoice containing termination liability charges subject to this Contract Offer, the Customer will identify those termination liability charges associated with Subject Services under this Contract Offer. The Telephone Company will then review the termination liability charges identified by the Customer and will issue credits to offset those termination liability charges eligible subject to this provision. If the Telephone Company terminates any Subject Service as a result of the Customer's uncured material breach of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in the amount of (i) fifty percent (50%) of the discounted Monthly Recurring Charges ("MRCs") applicable to the terminated Subject Services, net of all credits provided for in this Contract Offer, multiplied by (ii) the number of calendar months, or fractions thereof, remaining in the Term Period following the effective date of the termination. (N)

ACCESS SERVICE

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.30 Contract Offer No. 30–Special Access Wireless DS1 Service Offer (Cont'd)

23.30.5 Rates and Charges

(A) The Customer may purchase Subject Services at those Qualified Cell Sites at which Customer has purchased Ethernet-based[1] services from the Telephone Company at a fixed MRC of one hundred eight ($108) dollars per month for each Subject Service that is multiplexed and connects to a Telephone Company special access interoffice transport service purchased by the Customer. The Telephone Company will initially bill the Customer according to the otherwise applicable TPP or month-to-month MRCs. The Customer will then be credited in an amount equal to the difference between the TPP or month-to-month MRCs and the rates in Table D, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the TPP or month-to-month MRCs, but will not be included in the credits applied to the Customer's bill.

Table D

Rate Element	**USOC**	**MRC**
Channel Termination	TMECS	$108 (Net Bundled Rate)
Fixed Mileage	1L5XX	
Variable Mileage	1L5XX	

(B) For any billing period in which a Subject Service is not so multiplexed and connected as required by Section 23.30.5 (A), the Telephone Company will debit the Customer's invoice for an additional seventeen dollars ($17) for each such Subject Service.

[1] Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook (N)

24. True IP To PSTN (TIPToP) Service

24.1 Service Description (N)

(A) Basic Service Description

TIPToP service offers the providers of Internet Protocol (IP) enabled voice information services that use the TIPToP service (TIPToP Customers) the capability to connect traffic from IP enabled voice information service user (IP-VIS User) to Telephone Company End Users, or Off Net End Users using Public Switched Telephone Network (PSTN) based voice services via end offices or tandems subtended by the Telephone Company Access Tandems.

TIPToP service also allows TIPToP Customers to connect traffic from Telephone Company End Users or Off Net End Users to IP-VIS Users. The Telephone Company's existing network architecture is utilized to connect this traffic to TIPToP port interfaces.

TIPToP service provides a Time Division Multiplexed (TDM) port interface, including one-way or two-way port interfaces to originate and terminate traffic between TIPToP Customers and Telephone Company End Users and Off Net End Users.

TIPToP one-way port interfaces terminates traffic that originates from the TIPToP Customer's IP-VIS User to Telephone Company End Users which is considered IP-VIS On Net traffic. Traffic that originates from the TIPToP Customer's IP-VIS User and terminates to Off Net End Users as defined in Section 2.6, is considered IP-VIS Off Net traffic.

TIPToP two-way port interfaces terminates traffic that originates from Telephone Company End Users or Off Net End Users to TIPToP Customers. When traffic is originated from or terminated to the TIPToP Customer, the TIPToP Customer is responsible for completion of the traffic and connections between the demarcation point of the TIPToP service and the IP-VIS User. In addition, 8XX and toll traffic that is presubscribed to Interexchange Carriers (1+ PIC'd) originating from IP-VIS Users is routed via the two-way port interfaces to the Telephone Company Access Tandem for completion to the appropriate carrier.

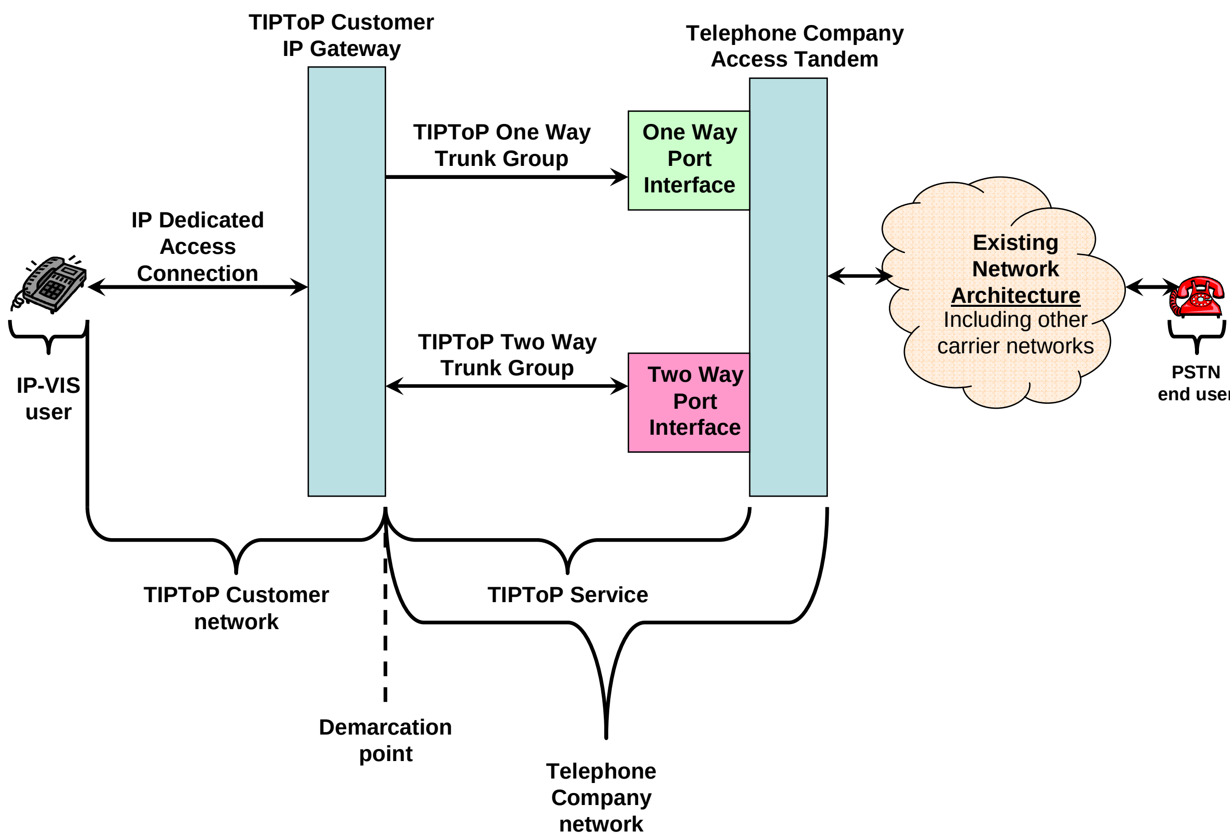
(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd) (N)

(A) Basic Service Description (Cont'd)

A diagram of the service connectivity is provided below.



(N)

.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd) (N)

(B) Service Provisioning

(1) Manner of Provisioning

(a) Originating IP-VIS Traffic to the PSTN

For originating IP-VIS traffic to the PSTN, TIPToP service is provisioned as a Time Division Multiplexed (TDM) port interface for TIPToP Customers to connect to the Telephone Company switched network, specifically for traffic that originates from IP-VIS Users and that generates IP-VIS traffic on the TIPToP Customer's network. TIPToP service begins at the TIPToP Customer's IP gateway once the IP-VIS traffic is converted to TDM format by the TIPToP Customer. Originating IP-VIS traffic travels on one-way or two-way port interfaces, as defined in this section. Traffic originating from an IP-VIS User is defined as IP-VIS traffic only when it meets both of the following requirements:

1) Traffic must be originated by an IP-VIS User at the IP-VIS User site.

2) Traffic must be transported from that IP-VIS User's Site to the TIPToP Customer using a IP Dedicated Access Connection, and such traffic must remain in IP format from the IP-VIS User Site to the TIPToP Customer's IP Gateway.

(b) Originating PSTN Traffic to the IP-VIS User.

For PSTN traffic that originates from a PSTN user to the IP-VIS User, TIPToP service is provisioned as a Time Division Multiplexed (TDM) port interface. The port interface enables TIPToP Customers to connect to the Telephone Company switched network only for IP-VIS traffic that terminates to IP-VIS Users on the TIPToP Customer's network. Traffic originating from the PSTN and terminating as IP-VIS traffic travels only on two-way port interfaces as defined in Section 24.1(B)(1)(f). Traffic terminating to IP-VIS Users is defined as IP-VIS traffic only when it meets both of the following requirements:

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(b) Originating PSTN Traffic to the IP-VIS User(Cont'd) (T)

1) Traffic must originate at a Telephone Company End User or Off Net End User and must travel through the TIPToP TDM Port Interface to the TIPToP Customer's IP Gateway. At the IP Gateway, the traffic must be converted to Internet Protocol and remain in Internet Protocol until it reaches the IP-VIS User Site. (T)

2) Traffic delivered to the TIPToP Customer's IP Gateway must be routed from the IP Gateway to the IP-VIS User site of the IP-VIS User using an IP Network

(c) Non IP-VIS Traffic

Non IP-VIS traffic is not permitted on TIPToP port interfaces. TIPToP Customers must remove any Non IP-VIS traffic from TIPToP connections per the terms described in Section 24.1(C) following.

Non IP-VIS traffic that occurs on TIPToP port interfaces is billed a Non IP-VIS Minute of Use rate as described in Section 24.3 Rates and Charges.

(d) Utilization of Telephone Numbers

The Telephone Company routes calls to the TIPToP Customer following routing instructions contained in the Local Exchange Routing Guide (LERG) system. These routing instructions are based on valid telephone numbers, as defined in the North American Numbering Plan. Telephone numbers are required to be unique for each IP-VIS User and be dialable numbers that reach the IP-VIS User when dialed.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd) (T)

(e) One-Way Port Interface

(1) TIPToP service provides one-way port interfaces to the Telephone Company Access Tandem, or end office where applicable, that terminate IP-VIS traffic originated by IP-VIS Users on the TIPToP Customer's Network to the Telephone Company's End Users or Off Net End Users, with the exception of 8XX traffic or toll traffic that is presubscribed to Interexchange Carriers (1+ PIC'd), as described in 24.1 (B)(1)(f)(1).

(2) CHOKE Trunks

Choke trunks, designed to block excessive calling attempts toward High Volume Call In (HVCI)/Mass Calling NXXs are required as part of TIPToP service.

Within each serving area where the TIPToP Customer has IP-VIS Users, the choke trunks are required on TIPToP one-way port interfaces connected to the designated Public Response HVCI/Mass Calling Network Access Tandem. If the choke tandem is the same as the access tandem, choke trunks can be allocated as part of the LATA Wide TIPToP architecture. If the choke tandem is not the same as the access tandem, the TIPToP Customer must purchase additional TIPToP one-way port interfaces to the choke tandem and allocate these interfaces for the choke trunks. When one-way port interfaces must be purchased to the choke tandem, the required quantity must match the choke trunk quantity as listed below.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd) (T)

(e) One-Way Port Interface (Cont'd)

(2) CHOKE Trunks (Cont'd)

Choke trunks shall utilize Multi Frequency (MF) signaling. If the TIPToP Customer's switch or IP Gateway is technically incapable of producing MF signaling as documented by the switch or IP Gateway vendor, the choke trunks shall utilize SS7 signaling.

The HVCI/Mass Calling (Choke) Trunks must be purchased in the following increments:

Number of Access Lines Served	**Number of Mass Calling Choke Trunk**
0 – 10,000	2
10,001 – 20,000	3
20,001 – 30,000	4
30,001 – 40,000	5
40,001 – 50,000	6
50,001 – 60,000	7
60,001 – 75,000	8
75,000 +	9 maximum

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd) (T)

(f) Two-Way Port Interface

(1) TIPToP service also provides two-way port interfaces to the Telephone Company Access Tandem that are used by TIPToP Customers to receive calls for IP-VIS Users from Telephone Company and Off Net End Users. TIPToP Customers are not permitted to use two-way port interfaces for traffic that should travel on a one-way port interface, as described in this section.

In addition, two-way port interfaces provide the TIPToP Customer with the ability to send non-queried 8XX (toll free traffic) and 1+ PIC'd IP-VIS traffic originating from IP-VIS Users to the Telephone Company network for completion to IXC networks. 8XX and 1+PIC'd traffic using TIPToP services must originate from IP-VIS Users using IP Dedicated Access Connections as described herein to qualify as IP-VIS On Net traffic.

Traffic originating from the IP-VIS User that is not 8XX and 1+ PIC'd is not permitted on the two-way port interface, and the Telephone Company may block such traffic where technically feasible. Traffic not permitted on two-way port interfaces that the Telephone Company does not block, or is not able to block, will be billed as Non IP-VIS traffic.

When 8XX traffic dialed by the IP-VIS User is sent to the Telephone Company by the TIPToP Customer, the Telephone Company will query the 800 database and complete the call to the IXC or to a 10-digit routable number based on the response that it receives from the 800 database for calls originating from that specific Telephone Company Access Tandem processing the call.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd) (T)

(g) TIPToP port interfaces are separate trunk groups from all other types of trunk groups within the Telephone Company Network and may only be used as part of the TIPToP service (one-way and two-way port interfaces).

(h) TIPToP services must be purchased as follows:

(1) TIPToP one-way port interfaces are required at every Telephone Company Access Tandem in the LATA in which the TIPToP Customer has:

- IP-VIS Users
- NPA-NXXs, or
- Telephone Numbers

In any other situation that the TIPToP Customer chooses to purchase one-way port interfaces in a LATA, the TIPToP Customer must purchase one-way port interfaces to every Telephone Company Access Tandem in that LATA.

(2) TIPToP two-way port interfaces are required to every Telephone Company Access Tandem serving the Exchange in which the TIPToP Customer has IP-VIS Users or an NPA-NXX(s) or telephone numbers.

Each TIPToP port interface (one-way or two-way) is equivalent to the bandwidth of one DS0. At a minimum, the TIPToP Customer must configure six (6) TIPToP one-way port interfaces or six (6) TIPToP two-way port interfaces for each DS1 at the Telephone Company Access Tandem or End Office. If additional DS1s or larger facilities are used for TIPToP service, the TIPToP Customer is required to purchase at a minimum six (6) port interfaces (one-way or two-way) to be allocated on each DS1 facility installed.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd) (N)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(h) (Cont'd)

When the choke tandem is the same as the access tandem, choke trunks are available as part of the TIPToP architecture. In cases when the choke tandem is not the same as the access tandem, the TIPToP Customer must purchase and allocate port interfaces for use with choke trunks directly to the choke tandems as described in Section 24.1(B)(1)(e) preceding.

The TIPToP Customer will not receive any other component or sub component of TIPToP service in any access tandem, end office switch, or any other Telephone Company switch, or other PSTN switches subtending Telephone Company tandems, or in any LATA in which the customer does not have TIPToP port interfaces installed as described above.

(i) Any conversion from other Telephone Company services to TIPToP service requires a new order for service and new installations for TIPToP services.

(j) In LATAs where TIPToP service is purchased by the TIPToP Customer, the TIPToP Customer is required to utilize TIPToP service and connections for all traffic between all of its IP-VIS Users and Telephone Company End Users and Off Net End Users subtending the Telephone Company Access Tandems within the LATA.

The TIPToP Customer will be allowed six (6) months to migrate all IP-VIS traffic in a LATA to TIPToP port interfaces per the terms of this tariff. The six (6) months will be counted from the date the first TIPToP port interface is installed in the LATA. If additional TIPToP service elements are required to match the TIPToP architecture, these elements must be ordered within 90 days of the initial order date.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd) (N)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(k) If more than 50% of the traffic on any one-way port interface physically originates in one exchange and terminates in another exchange in the same state (as measured based on originating and terminating NPA/NXXs from the call detail) then a Non IP-VIS rate is applied to all traffic in the LATA for the bill period in which the percentage exceeded 50%.

This traffic will be classified as Non IP-VIS traffic and is billed under this section at the applicable Non IP-VIS On Net rate or Non IP-VIS Off Net rate and subject to the terms in 24.1 (C)(9) following.

(l) TIPToP service requires TIPToP Customers to send accurate Calling Party Number (CPN) to the Telephone Company with each call in order to qualify for TIPToP IP-VIS rates. Calls must provide an accurate CPN to qualify as IP-VIS traffic and to be rated at the applicable IP-VIS rates in this tariff. Accurate CPN is:

- CPN that is a dialable working telephone number, that when dialed, will reach the IP-VIS User to whom it is assigned, at that IP-VIS User's IP-VIS User Site and use the Internet Protocol Network at the IP-VIS User Site to reach the IP-VIS User.
- CPN that has not been altered.
- CPN that is not a charge party number.
- CPN that follows the North American Numbering Standard and can be identified in numbering databases and the LERG as an active number.
- CPN that is assigned to an active IP-VIS User.

Calls sent without an accurate CPN, or sent without a CPN, will be classified as Non IP-VIS traffic and will be rated at the applicable On Net or Off Net Non IP-VIS rates and subject to the terms in 24.1 (C)(9) following. (N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(m) The TIPToP Customer must prevent any external party, other than legally authorized agencies, from accessing private CPN that is sent to the TIPToP Customer. The TIPToP Customer must implement procedures to restrict internal access to private CPN, and that all records of private CPN are destroyed after a reasonable period of time. Any lawful request from law enforcement to obtain call trace logs must be honored by the TIPToP Customer.

(n) Acceptance Tests are tests that are performed during the installation of TIPToP service. These tests are cooperative tests between the Telephone Company and the TIPToP Customer and they are performed before the first live traffic can be placed in the TIPToP service. There is no charge for Acceptance Testing.

(o) Traffic Volume

(1) One-way Port Interface - when a TIPToP Customer's traffic increases to the bandwidth equivalent of 48 DS0s to any one end office, the TIPToP Customer is required to purchase direct one-way port interfaces for use with TIPToP service to that end office, as described in Section 24.3 rate and charges. (T)

(2) Two-way Port Interface - when a TIPToP Customer's traffic is equal to or greater than a bandwidth equivalent of 48 DS0s between an existing two-way port interface and an access tandem without direct two-way port interfaces from the TIPToP Customer, the customer must purchase two-way port interfaces to that access tandem. (T)

(2) Limitations

(a) TIPToP service does not include Alternate Billed Services (ABS). ABS includes, but is not limited to, Collect Calling, Third Party Billed Calls, Calling Card calls, Phone Card calls, or Credit Card calls billed to telephone numbers assigned to the IP-VIS User of the TIPToP Customer or the TIPToP Customer.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(2) Limitations (Cont'd)

(b) Specific to traffic sent to a TIPToP Customer over the TIPToP port interface, TIPToP Service is not available where the Telephone Company is required to pay reciprocal compensation, access charges, meet point billing charges, transit charges, or any other fees.

(3) Emergency 911 Service

Emergency 911 Service is not available with TIPToP Service purchased under this tariff.

(4) SPNP Service Charge

When the TIPToP Customer purchases a TIPToP One-Way Port Interface the Telephone Company will provide Service Provider Number Portability (SPNP) Query Service under the rates and terms as set forth in Section 19. (M)

(C) Customer Obligations

(1) The TIPToP Customer must obtain a unique Operating Company Number (OCN) for use in states where TIPToP service is requested. TIPToP Customers cannot use an OCN for TIPToP services if this same OCN is being used in conjunction with another service. (M)

(2) The TIPToP Customer must provide a minimum of one unique Local Routing Number (LRN) per LATA in which TIPToP service is requested. TIPToP Customers cannot use an LRN for TIPToP services if the number is being used in conjunction with another service.

(3) TIPToP Customer must obtain their own phone numbers from industry sources that follow the North American Numbering Plan for use with TIPToP service.

Material appearing on this page formerly appeared on Original page 24-17 of Tariff FCC No. 1.

Material previously appearing on this page now appears on 1st Revised Page 24-14 of Tariff FCC No. 1.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(C) Customer Obligations (Cont'd)

(4) The TIPToP Customer must have at least one IP-VIS Dedicated Location in each LATA in which they use TIPToP service.

(5) The TIPToP Customer must route the 8XX and 1+ PIC'd calls to a tandem associated with the CPN of the originating number as designated by the LERG. (M)

(6) The TIPToP Customer must send the appropriate routing and call information to the Telephone Company as is described in Technical Publications GR-317-CORE and GR-394-CORE. (M)

(7) The TIPToP Customer must provide SS7 Point Codes for each connected IP gateway.

(8) TIPToP Customers must use SS7 signaling to each Access Tandem in the LATA in which TIPToP service is desired. The TIPToP Customer must also adhere to the requirements and limitations that Telephone Company sets forth regarding SS7 signaling and call setup as defined in Section 6. The TIPToP Customer is responsible for all the misrouting or blocking of any and all traffic that results from messages, which do not comply with Section 6, sent over SS7 by the TIPToP Customer.

(9) The TIPToP Customer must remove all Non IP-VIS traffic within 60 days of any notice, including but not limited to the TIPToP Customer's bill, from the Telephone Company.

(10) The TIPToP Customer or TIPToP Customer's agent must set the Collect and Third Party Billing Acceptance indicator to deny collect, third party or any other Alternate Billed Services. In the event the TIPToP Customer's user is associated with an Alternately Bill Call, the TIPToP Customer is charged the Non IP-VIS off-net rate.

(11) While Alternately Billed Services (ABS) calls are not provided by TIPToP should ABS calls occur and be processed by the Telephone Company Network for IP-VIS end users of the TIPToP Customer, or for the TIPToP Customer, the TIPToP Customer will pay all ABS charges from the Telephone Company for these services and will make appropriate changes within 60 days of the bill to prevent future ABS calls by the TIPToP Customer's IP-VIS User from being processed.

Material appearing on this page formerly appeared on Original Page 24-13.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations

(A) Rate Elements

The following provides a list of the various rate elements for TIPToP service.

One-way Port Interface
Two-way Port Interface
TIPToP IP-VIS USAGE
TIPToP Non IP-VIS USAGE
Non-recurring Charge
Service Establishment Fee
Service Management Charge (D)

(1) ONE-WAY PORT INTERFACE - TIPToP one-way port interfaces provide a one-way trunk group to permit originating IP-VIS traffic(excluding 8XX and 1+ PIC'd) from TIPToP Customer's IP-VIS Users to Telephone Company and Off Net End Users subtending the Access Tandem in which the port interface is installed. The monthly recurring charge and non-recurring charge for the TIPToP one-way port interface rate elements includes the following service components necessary to terminate IP-VIS traffic originated from IP-VIS users on the TIPToP Customer's Network in a specific LATA to the Telephone Company's Access Tandem(s) or End Office(s) in that same LATA (where the port interface is installed): (T) (T)

(a) Transport
(b) Trunks (N)
(c) Trunk ports
(d) Choke trunks
(e) The following associated signaling components, as described in Section 6:

(i) SS7 Signaling Connection
(ii) SS7 Link
(iii) Signal Transfer Point (STP)
(iv) SS7 Port
(v) SS7 Signaling Call Set Up Messages (ISUP Signaling) on TIPToP Port Interfaces. (N)

Material previously appearing on this page now appears on Original Page 24-15.1 of FCC No. 1.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(1) ONE-WAY PORT INTERFACE (Cont'd)

(f) One-way port interfaces are billed a monthly recurring rate and provided on a distance sensitive basis in one of four mileage bands. The mileage bands for One-way Port Interfaces are as follows: (M)

Mileage band 10 to 25 miles
Mileage band 226 to 50 miles
Mileage band 3 51 to 100 miles
Mileage band 4 101 or more miles

(g) Mileage is measured from the TIPToP Customer's IP-VIS Dedicated Location to the Access Tandem or End Office in which service is being ordered.

(M)

Material appearing on this page formerly appeared on Original Page 24-15 of Tariff FCC No. 1.

ACCESS SERVICE

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(2) TWO-WAY PORT INTERFACE – TIPToP two-way port interfaces provide a two-way trunk group(s) to permit all traffic from Telephone Company and other PSTN traffic to IP-VIS Users. The monthly recurring charge and non-recurring charge for the TIPToP two-way port interface rate elements includes the following service components necessary for the IP-VIS Users of the TIPToP Customer to receive calls in a specific LATA that originate from or pass through the Telephone Company's Access Tandem(s), or End Office(s) in that same LATA (where the port interface is installed): (T)

(a) Transport (N)
(b) Trunks
(c) Trunk ports
(d) The following associated signaling components, as described in Section 6:

(i) SS7 Signaling Connection
(ii) SS7 Link
(iii) Signal Transfer Point (STP)
(iv) SS7 Port
(v) SS7 Signaling Call Set Up Messages (ISUP Signaling) on TIPToP Port Interfaces. (N)

(e) Two-way port interfaces are billed a monthly recurring rate and provided on a distance sensitive basis in one of four mileage bands. The mileage bands for Two-way Port Interfaces are as follows: (T)

Mileage band 10 to 25 miles
Mileage band 226 to 50 miles
Mileage band 3 51 to 100 miles
Mileage band 4 101 or more miles

(f) Mileage is measured from the TIPToP Customer's IP-VIS Dedicated Location to the Access Tandem or End Office in which service is being ordered. (T)

Material previously appearing on this page now appears on Original Page 24-16.1 of Tariff FCC No. 1.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(3) TIPToP IP-VIS USAGE - A Minute of Use (MOU) charge is applied to IP-VIS traffic using TIPToP Port Interfaces and originating from IP-VIS Users terminating traffic to Telephone Company or Off Net End Users. (M)

(a) IP-VIS On Net Usage - is a MOU charge for IP-VIS On Net Traffic.

(b) IP-VIS Off Net Usage – is a MOU charge for IP-VIS Off Net Traffic.

(M)

Material appearing on this page formerly appeared on 1st Revised Page 24-16 of Tariff FCC No. 1.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd

(4) TIPToP Non IP-VIS USAGE - A Minute of Use (MOU) charge is applied to Non IP-VIS traffic using TIPToP Port Interfaces between IP-VIS User and Telephone Company or Off Net End Users.

(a) Non IP-VIS On Net Usage – is a MOU charge for Non IP-VIS On Net Traffic.

(b) Non IP-VIS Off Net Usage

(1) On the One-way Port Interface: A MOU charge for Non IP-VIS Off Net Traffic.

(2) On the Two-way Port Interface: A MOU charge for traffic that is not 8XX or 1+ PIC'd traffic originating from the TIPToP Customer and terminating to Telephone Company End Users, or non-Telephone Company End Users using the TIPToP Access Tandem.

(5) Non-recurring Charges – one-time charges apply for the installation of one-way or two-way TDM port interfaces as defined in Section 24.2 of this tariff.

(6) Service Establishment Fee - A one time Service Establishment Fee is assessed each time the TIPToP Customer establishes the first TIPToP service connection within a (T)
specific LATA.

(7) Service Management Charge - Every TIPToP Customer is charged a recurring charge per month per LATA in which service is activated. (T)

Material previously appearing on this page now appears on 1st Revised Page 24-13 of Tariff FCC No. 1.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP)

(1) General Description

The TIPToP Term Volume Discount Plan (TVDP) provides the TIPToP Customer with optional term and volume discounts (as shown in Section 24.2(B)(8), below), off the existing monthly recurring and non-recurring rates for Month to Month service in effect during the term of the TVDP (as referenced in Section 24.3, following) for TIPToP One-Way and Two-Way Port Interfaces.

The Month to Month rates and the terms and conditions for Port Interfaces in this tariff may be modified through the filing of tariff changes at any time during the Term Period. If Month to Month rates change during the Term Period, the discounts associated with the Customer's TIPToP Term and Volume Plan will be applied against the new Month to Month rates in effect after the change.

However, such tariff modifications will not change the commitment level and discount levels in the Customer's TDVP during the Term Period.

(2) Terms and Conditions

The TIPToP TVDP requires the TIPToP Customer to commit to either a 1, 2 or 3-year Term Period (Term Period). The first year of the Term Period commences on the start date. The start date is defined as the date on which the Telephone Company receives an order from the Customer, as described in Section 5. Each subsequent year of a multi-year TVDP begins on the annual anniversary date of the start date of the TVDP. Each year within the Term Period will be referred to as a Term Year. For example, a 3-year Term Period will have a First Term Year, a Second Term Year and a Third Term Year.

TIPToP TVDP discounts will only apply to billed charges that are paid by the Customer, excluding charges in dispute. If the Customer fails to pay charges for TIPToP service, TIPToP Term and Volume discounts are forfeited on those unpaid charges.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(2) Terms and Conditions (Cont'd)

The TIPToP TVDP also requires the TIPToP Customer to choose a monthly Port Interface Commitment Level (volume commitment or Port Interface Commitment). The TIPToP Customer's fulfillment of the volume commitment is measured using an annual calculation for each Term Year. In cases when the TIPToP Customer does not meet the Port Interface Commitment for any Term Year during the Term Period, the TIPToP Customer will be billed Shortfall Liability Charges according to Section 24.2(B)(3), following.

(3) Shortfall Liability Charges

(a) A calculation is performed annually at each anniversary date during the Term Period and at the end of the Term Period to determine if the Customer is liable for Shortfall Liability Charges.

(b) For purposes of the Shortfall Liability calculation, the term "In Service" is defined as an installed, working service, billed by the Telephone Company, and paid for by the Customer for the entire month being measured. The number of Port Interfaces In Service is determined for each month of the Term Year being measured. For purposes of Shortfall calculations, the total number of In Service Port Interfaces at the end of each month will be added together to determine the "In Service Total" for the year. Port Interfaces in service for only a part of a month are not counted towards the In Service Total.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(3) Shortfall Liability Charges (Cont'd)

(c) If the In Service Monthly Average is below the Customer's annual Port Interface Commitment level for a specific Term Year, then Shortfall Liability Charges are due. If the In Service Total is equal to or greater than the Customer's annual Port Interface Commitment level in a specific Term Year, then no Shortfall Liability Charges are due.

(d) Example: A Customer has 200 Port Interfaces In Service for 5 months and 300 Port Interfaces In Service for 7 months. 5 months times 200 Port Interfaces, plus 7 months times 300 Port Interfaces equals 3,100 Port Interfaces. Therefore, the Customer had 3,100 Port Interfaces In Service Total for the year. In this example, if this Customer committed to a 241 Port Interface Commitment level, they would have no Shortfall Liability. The In Service Total of 3,100 Port Interfaces is greater than the annual Port Interface Commitment of 2,892 (241 Port Interfaces per month x 12 months).

In this same example, if the Customer had committed to a 1,201 monthly Port Interface Commitment level, then Shortfall Liability Charges would be due. The In Service Total of 3,100 is less than the annual Port Interface Commitment of 14,412 (1,201 Port Interfaces per month x 12 months).

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(3) Shortfall Liability Charges (Cont'd)

(e) When the calculation in the preceding Section is performed and it is determined that a Customer is liable for Shortfall Liability Charges, another calculation will be performed to determine the amount of the Shortfall Liability Charges due. This calculation will use the In Service Totals for the Term Year from the calculation performed according to Section 24.2(B)(3)(b), preceding. An Average Monthly Rate Charged per Port Interface for the Term Year will need to be calculated due to the different Mileage Bands a Port Interface may have, as shown in Section 24.3(A). The Average Monthly Rate Charged per Port Interface will be calculated by dividing the total amount billed for Port Interfaces (without considering the effect of any credits) for the total year by the In Service Total for the Term Year. When the Customer's TIPToP TVDP is terminated, Termination Charges will be calculated pursuant to Section 24.2 (B)(5), following. If Pro-Rated Shortfall Liability Charges are due, then Pro-Rated Shortfall Liability Charges will be calculated pursuant to Section 24.2(B)(4)(a), following.

(f) Using the Average Monthly Rate Charged per Port Interface for the Term Year, the following methodology will be used to calculate the Shortfall Liability Charges due:

Customer's Port Interface Commitment (Monthly)	**X**	12 Months	**-**	Customer's In Service Total for the Year	**X**	Average Monthly Rate Charged pr Port Interface for the Term Year	**=**	Shortfall Liability

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(3) Shortfall Liability Charges (Cont'd)

(g) In cases when this calculation produces a negative number no Shortfall Liability is due, nor is any credit due to the Customer.

(h) Bills for Shortfall Liability Charges are rendered following the anniversary date of the TVDP. For situations involving a Pro-Rated Shortfall Liability, as described below, the charges will be billed within 90 days of the termination date of the Customer's TVDP.

Shortfall Liability Calculation Example:

The TIPToP Customer has finished the second year of a 3-year Term Period with a commitment level of 241 Port Interfaces per month. The TIPToP Customer had 200 ports in service for 6 months, and 250 ports in service for 6 months over the previous 12 months. The amount billed to and paid by the TIPToP Customer during the Term Year for the 2,700 Port Interfaces was $54,000.

Step 1. Determine the In Service Total of Port Interfaces for the Term Year. (200 x 6) + (250 x 6) = 2,700 Port Interfaces In Service Total for the Term Year.

Step 2. Determine the annual Port Interface Commitment level for the Term Year. 214 Port Interfaces per month x 12 months = 2,892 Port Interfaces for the Term Year. Since 2,700 In Service Total is less than the Customer's annual commitment of 2,892 Port Interfaces,, Shortfall Liability Charges must be calculated.

Step 3. Determine the Average Monthly Rate charged per Port Interface for the Term Year by dividing the amount billed for the Term Year by the In Service Total for the Term Year. $54,000 divided by 2700 In Service Total for the Term Year = an Average Monthly Rate Charged per Port Interface for the Term Year of $20.00.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(3) Shortfall Liability Charges (Cont'd)

Shortfall Liability Calculation Example: (Cont'd)

Step 4. Determine the Shortfall Liability by subtracting the annual Port Interface Commitment Level, as calculated in Step 2, from the Customer's In Service Total, as calculated in Step 1 (2,892 – 2,700 = 192). The TIPToP Customer would have a Shortfall Liability for 192 Port Interfaces for the Term Year.

Step 5. Determine a revenue amount associated with the Shortfall Liability by multiplying the number of Port Interfaces by which the Customer fell short of the annual Port Interface Commitment Level, as calculated in Step 4, by the Average Monthly Rate Charged per Port Interface for the Term Year, as calculated in Step 3 (192 Port Interface shortfall x $20.00 Average Monthly Rate charged = $$3,840).

(4) Pro-Rated Shortfall Liability Charges

(a) When the Customer's TVDP is terminated prior to the end of the Term Period and between anniversary dates of the TVDP, a Pro-Rated Shortfall Liability calculation will be performed for the number of months from the last anniversary date of the Customer's Term Period to the termination date of the TVDP.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(4) Pro-Rated Shortfall Liability Charges (Cont'd)

(b) For purposes of the Pro-Rated Shortfall Liability calculation, the term "In Service" is defined as an installed, working service, billed by the Telephone Company and paid for by the Customer, for the entire month being measured. The number of Port Interfaces In Service is determined for each full month of the partial Term Year in which the Customer had service ("In Service Total"). The number of months used in this pro-rated calculation is the number of full months measured from the last anniversary date of the Customer's Term Period to the last full month of service prior to the termination date of the Customer's TIPToP TVDP (the "Pro-Rated Period"). Port Interfaces in service for only part of a month are not counted towards the In Service Total. The In Service Totals for each full month of the Pro-Rated Period are added together.

(c) A Pro-Rated annual Port Interface Commitment will be calculated to determine whether Shortfall Liability Charges are due. This Pro-Rated annual Port Interface Commitment Level will be determined by multiplying the Customer's monthly Port Interface Commitment Level by the Pro-Rated Period, as determined in Section 24.2(B)(4)(b), preceding. If the Pro-Rated In Service total is below the Customer's Pro-Rated annual Port Interface Commitment Level for the Term Year in which the Pro-Rated Period falls, then Pro-Rated Shortfall Liability Charges are due. If the Pro-Rated In Service Total is at, or above, the Customer's Pro-Rated annual Port Interface Commitment Level in the Term Year in which the Pro-Rated Period falls, then no Pro-Rated Shortfall Liability Charges are due.

(N)

24. True IP To PSTN (TIPToP) Service (Cont’d)

24.2 Rate Regulations (Cont’d) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont’d)

(4) Pro-Rated Shortfall Liability Charges (Cont’d)

(d) When the calculation in the preceding Section is performed and it is determined that a Customer is liable for Pro-Rated Shortfall Liability Charges, another calculation is performed to determine the amount of the Pro-Rated Shortfall Liability Charges due. This calculation will use the In Service Totals of the Pro-Rated Period. An Average Monthly Rate charged per Port Interface for the Pro-Rated Period will need to be calculated due to the different Mileage Bands a Port Interface may have, as shown in Section 24.3(A). The Average Monthly Rate for the Pro-Rated Period will be calculated by dividing the amount billed for Port Interfaces (without considering the effect of any credits) for the full months the Customer had service during the Pro-Rated Period, by the In Service Total for the Pro-Rated Period.

(e) Using the Average Monthly Rate charged per Port Interface for the Pro-Rated Period, the following methodology will be used to calculate the Pro-Rated Shortfall Liability Charges due:

Customer’s Monthly Port Commitment for the Term Year in which the Pro-Rated Period Falls	**X**	Number of Full Months the Customer had Service During the Pro-Rated Period	**-**	In Service Total of Port Interfaces for the Pro-Rated Period	**X**	Average Monthly Rate Charged per Port Interface for the Pro-Rated Period	**=**	Pro-Rated Shortfall Liability

(N)

(This page filed under Transmittal No. 129)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(4) Pro-Rated Shortfall Liability Charges (Cont'd)

(f) In cases when this calculation produces a negative number, no Pro-Rated Shortfall Liability is due, nor is any credit due to the Customer.

(5) Termination Liability

(a) Customers may terminate a TIPToP TVDP by giving 30 days written notice to the Telephone Company of the Customer's intention to terminate the TVDP prior to the expiration of the Term Period.

(b) The Telephone Company may terminate a TIPToP TVDP when the Customer has any period of three consecutive months when the TIPToP Customer has an In Service Total of Port Interfaces less than 50% of the monthly Port Interface Commitment Level.

(c) The total number of Port Interfaces In Service is determined for each month of the Term Year, or partial Term Year, being measured. The total of all In Service Port Interfaces for a month will be referenced as the In Service Total. Port Interfaces in service for only a part of a month are not counted in the In Service Total.

(d) When the TIPToP Customer terminates a TIPToP TVDP, or the Telephone Company terminates a TIPToP TVDP prior to completion of the Term Period of the TIPToP TVDP, Termination Liability Charges will be assessed and billed pursuant to this Section. For purposes of this calculation, the Customer's termination date is the earliest date of either the Customer's requested termination date or the last date on which the Customer had TIPToP Port Interfaces In Service.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(5) Termination Liability (Cont'd)

(e) In some cases, it is possible for both Shortfall Liability Charges and Termination Liability Charges to be due at the same time. In those instances, the Shortfall Liability calculation is performed prior to a Termination Liability Charge calculation. When the Customer terminates service between anniversary dates of the TVDP Term Period, a Pro-Rated Shortfall Liability calculation is performed before the Termination Liability calculation is performed.

(f) Termination Liability Charges are calculated using the Average Monthly Rate charged per Port Interface for the previous 12 months. The Average Monthly Rate charged per Port Interface is calculated by dividing the amount billed for Port Interfaces (without considering the effect of any credits) for the previous 12 months, by the In Service Total Port Interfaces for the previous 12 months (the In Service Total is calculated as detailed in Section 24.2(B)(5)(c), preceding).

(g) In cases when the Customer terminates a TVDP within the first 12 months of the Term Period, the Monthly Rate charged per Port Interface will be calculated by dividing the amount billed for Port Interfaces, for the time from the first day of the Term Period to the last full month of service prior to the termination date, by the Port Interface In Service Total for the same period of full months.

(h) Using the Average Monthly Rate charged per Port Interface (as described in Section 24.2(B)(5)(f), preceding), the following methodology will be used to calculate the Termination Liability Charges due:

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(5) Termination Liability (Cont'd)

Avg. Monthly Rate Charged per Port Interface		Customer's Average Monthly Port Commitment		Remaining Months in Term Period		Termination Percentage of 75%		Termination Liability Charge
	X		**X**		**X**		**=**	

e: The TIPToP Customer wishes to terminate a 36-month commitment with 241 ports after having service in place for 30 months. Over the previous 12 months, the TIPToP Customer had a quantity of Port Interfaces In Service of 200 for 9 months and 250 for the remaining 3 months.

Step 1. Determine the In Service Total number of Port Interfaces for the previous 12-month period. 9 months times 200 Port Interfaces, plus 3 months times 250 Port Interfaces equals 2,550 In Service Total of Port Interfaces for the previous 12-month period.

Step 2. Identify the annual amount billed for these Port Interfaces. If the TIPToP Customer was billed $4,000 per month for the 200 ports, and $5,000 per month for the 250 ports then the annual revenue for these ports is $51,000 ($4,000 x 9 months plus $5,000 x 3 months = $51,000).

Step 3. Determine the Average Monthly Rate per Port Interface for the previous 12 months by dividing the revenue billed for the previous 12-month period by the In Service Total for the previous 12-month period ($51,000/2,550 ports = $20.00 per port for this example).

Step 4. Identify the TIPToP Customer's monthly Port Interface Commitment Level. In this example, the monthly Port Interface Commitment Level is 241 ports.

Step 5. Determine the remaining months in the Term Period. The TIPToP Customer in this example terminated a 36-month commitment at 30 months, leaving 6 months remaining in the term. (N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(5) Termination Liability (Cont'd)

Step 6. Multiply the Average Monthly Rate charged per Port Interface for the previous 12 months by the Customer's monthly Commitment Level, by the remaining months in the Term Period by 75% to receive the total Termination Liability Charges. In this example, $20 Average Monthly Rate per port x 241 Port Interface Commitment Level x 6 months remaining x 75% = $21,690 Termination Liability.

(i) Exceptions to Termination Liability

TIPToP TVDP Customers may terminate TVDP service without incurring Termination Liability Charges when the TIPToP Customer converts an existing TIPToP TVDP commitment to a new TVDP commitment of either:

(1) A longer term with the same volume commitment,
(2) A larger volume commitment with the same Term Period as the existing Term Period, or
(3) A larger volume commitment with longer term.

If TIPToP service or TIPToP TVDP is no longer available at the time at which a Customer attempts to convert an existing TIPToP TVDP to a new TVDP commitment, then conversion will not be permitted, and the Customer's TIPToP TVDP in existence at that time will not be provided with an exception to Termination Liability.

If the TIPToP Customer has not paid billed amounts due to the Telephone Company, conversion of an existing TIPToP TVDP to a new TVDP commitment will not be permitted, and an exception to the Termination Liability for an existing TVDP is not available. The Customer may resolve this failure to pay and qualify for a conversion of the TIPToP TVDP by paying past due TIPToP amounts, and remaining current for three full consecutive billing months.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan TVDP) (Cont'd)

(6) TIPToP TVDP Renewals

If TIPToP TVDP is available at the time at which the Customer desires to renew a TIPToP TVDP, the TIPToP Customer may renew a TVDP, effective on the expiration date of the original TVDP Term Period, only under the prevailing rates and terms in effect at the time of the renewal.

A renewal of TIPToP TVDP will not be permitted if the TIPToP Customer has not paid billed amounts due the Telephone Company. The Customer may resolve this failure to pay and qualify for a renewal of the TIPToP TVDP by paying past due amounts, and remaining current for a period of three full consecutive billing months.

A renewal of a TVDP requires a new order no earlier than 6 months prior to the expiration of the current TVDP Term Period, and no later than 30 days prior to the expiration of the current TVDP Term Period.

TIPToP Customers are not permitted to extend an existing TIPToP TVDP beyond its original Term Period. TIPToP Customers desiring a TIPToP TVDP beyond the Term Period must enter into a Renewal.

(7) TIPToP TVDP Expiration

A TIPToP TVDP expires on the last day of the Term Period. If the TIPToP Customer continues to use TIPToP service, and the TIPToP Customer does not renew the TIPToP TVDP or enter into a new TIPToP TVDP, then the TIPToP Customer's TIPToP service will continue at the prevailing Month to Month terms, conditions and rates for TIPToP service.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (N)

(B) TIPToP Term Volume Discount Plan (TVDP) (Cont'd)

(8) Term and Volume Discount Plan Schedule

The applicable percentage in the table below shall be applied to the rates in Section 24.3 (A) and (B) to calculate the discount to which the TIPToP Customer is entitled. These discounts will apply, regardless of which Term Year the Customer is in within the TVDP, or the volume they are billing. See Terms and Conditions, Section 24.2(B)(2), preceding, for further details.

Monthly Port Interface Commitment	1 year TVDP	2 year TVDP	3 year TVDP
1,000 – 1,999	1%	2%	3%
2,000 – 2,999	2%	4%	6%
3,000 – 3,999	3%	6%	9%
4,000 – 4,999	4%	8%	12%
5,000 – 5,999	5%	10%	15%
6,000 – 6,999	6%	12%	18%
7,000 +	7%	14%	21%

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.3 Rates and Charges

(A) TIPToP ONE-WAY Port Interface

Monthly RateNRC
Mileage BandUSOCPer PortPer Port

No. 1 (0-25 miles)PT851$ 16.95(R)$ 79.00

No. 2 (26-50 miles)PT852$ 25.95$ 79.00

No. 3 (51-100 miles)PT853$ 29.95$ 79.00

No. 4 (100 or more miles)PT854$ 53.95$ 79.00

(B) TIPToP TWO-WAY Port Interface

Monthly RateNRC
Mileage BandUSOCPer PortPer Port

No. 1 (0-25 miles)PT871$ 16.95(R)$ 79.00

No. 2 (26-50 miles)PT872$ 25.95$ 79.00

No. 3 (51-100 miles)PT873$ 29.95$ 79.00

No. 4 (100 or more miles)PT874$ 53.95$ 79.00

(C) TIPToP IP-VIS USAGE (MOU)

	IP-VIS On Net Usage Per MOU	IP-VIS Off Net Usage Per MOU
TIPToP Usage within the State:	$0.0026	$0.0250

(D) TIPToP NON IP-VIS (MOU)

	Non IP-VIS On Net Usage Per MOU	Non IP-VIS Off Net Usage Per MOU
TIPToP Usage within the State	$0.0060	$0.0850

ACCESS SERVICE

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.3 Rates and Charges (Cont'd) (T)

(E) Service Establishment Fee	USOC	Non-Recurring Charge	
			(T)
- Per initial establishment connection per LATA	SEPNW	$5,000.00	(T) (T)

(F) Service Management Charge	USOC	Monthly Rate	
- Per LATA	AFE1P	$1,200.00	(T)

ACCESS SERVICES

25. [1] (D)

[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. FCC 07-180 released October 12, 2007. Terms and Conditions associated with de-tariffed services are available at www.att.com/guidebook.

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

25. [1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25.[1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

25.[1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

25. [1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

25.[1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

25. [1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

25. [1] (D)

[1] See footnote (1) on page 25-1

ACCESS SERVICES

25. [1] (D)

[1] See footnote (1) on page 25-1

25. [1] (D)

[1] See footnote (1) on page 25-1

25. [1] (D)

[1] See footnote (1) on page 25-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

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ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

26.[1] (D)

[1] See footnote (1) on page 26-1

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

ACCESS SERVICE

26. Dedicated SONET Ring Service (Cont'd)

26.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(3) Ports (Cont'd)

Accepted interfaces are as follows:

	OC-3 Node	OC-12 Node	OC-48 Node	
DS1 Ports	X (Max. 84/Node)	X[1](Max. 84/OC-3 or OC-3c Port)	X[1](Max. 84/OC-3, OC-3c Port)	
DS3 Ports	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	
EC-1 Ports	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	
OC-3/3c Ports[2]	X (Max. 1/Node)	X (Max. 4/Node)	X (Max. 16/Node)	
OC-12/12c Ports[2]	N/A	X (Max. 1/Node)	X (Max. 4/Node)	
OC-48/48c Ports[2]	N/A	N/A	X (Max. 1/Node)	
100 Mbps(STS-1)Ethernet Port	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	
100 Mbps(STS-3c)Ethernet Port	N/A	X (Max. 4/Node)	X (Max. 16/Node)	
1 Gbps(STS-1)Ethernet Port	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	(
1 Gbps(STS-3c)Ethernet Port	N/A	X (Max. 4/Node)	X (Max. 16Node)	
1 Gbps(STS-12c)Ethernet Port	N/A	N/A	X (Max. 4/Node)	
1 Gbps(STS-24c)Ethernt Port	N/A	N/A	X (Max. 2/Node)	
10/100 BaseT Ethernet Port				(
VT1.5-1v (1.6 Mbps)	X (Max. 84/Node)	X (Max. 84/OC-3)	X (Max. 84/OC-3)	
VT1.5-2v (3.2 Mbps)	X (Max. 42/Node)	X (Max. 42/OC-3)	X (Max. 42/OC-3)	
VT1.5-3v (4.8 Mbps)	X (Max. 28/Node)	X (Max. 28/OC-3)	X (Max. 28/OC-3)	
VT1.5-4v (6.4 Mbps)	X (Max. 21/Node)	X (Max. 21/OC-3)	X (Max. 21/OC-3)	
VT1.5-5v (8.0 Mbps)	X (Max. 16/Node)	X (Max. 16/OC-3)	X (Max. 16/OC-3)	
VT1.5-6v (9.6 Mbps)	X (Mac. 14/Node)	X (Max. 14/OC-3)_	X (Max. 14/OC-3)	
VT1.5-7v (11.2 Mbps)	X (Max. 12/Node)	X (Max. 12/OC-3)	X (Max. 12/OC-3)	
VT1.5-8v (12.40 Mbps)	X (Max. 10/Node)	X (Max. 10/OC-3)	X (Max. 10/OC-3)	
VT1.5-10v (16.0 Mbps)	X (Max. 8/Node)	X (Max. 8/OC-3)	X (Max. 8/OC-3)	
VT1.5-13v (20.8 Mbps)	X (Max. 6/Node)	X (Max. 6/OC-3)	X (Max. 6/OC-3)	
STS-1-1v (48.38 Mbps)	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	
STS-1-2v (96.77 Mbps)	X (Max. 1/Node)	X (Max. 6/Node)	X (Max. 24/Node)	
1000 BaseSX/LX Ethernet Port				
STS-1-1v (48.38 Mbps)	X (Max. 3/Node)	X (Max. 12/Node)	X (Max. 48/Node)	
STS-1-2v (96.77 Mbps)	X (Max. 1/Node)	X (Max. 6/Node)	X (Max. 24/Node)	
STS-1-3v (145.15 Mbps)	X (Max. 1/Node)	X (Max. 4/Node)	X (Max. 16/Node)	
STS-1-4v (193.54 Mbps)	N/A	X (Max. 3/Node)	X (Max. 12/Node)	
STS-1-5v (241.92 Mbps)	N/A	X (Max. 2/Node)	X (Max. 9/Node)	
STS-1-6v (290.30 Mbps)	N/A	X (Max. 2/Node)	X (Max. 8/Node)	
STS 1-9v (435.46 Mbps)	N/A	X (Max. 1/Node)	X (Max. 5/Node)	
STS-1-12v (580.61 Mbps)	N/A	X (Max. 1/Node)	X (Max. 4/Node)	
STS-1-21v (1016.06 Mbps)	N/A	N/A	X (Max. 2/Node)	
STS-3c-1v (149.76 Mbps)	N/A	X (Max. 4/Node)	X (Max. 16/Node)	
STS-3c-2v (299.52 Mbps)	N/A	X (Max. 2/Node)	X (Max. 8/Node)	
STS-3c-3v (449.28 Mbps)	N/A	X (Max. 1/Node)	X (Max. 5/Node)	
STS-3c-4v (599.04 Mbps)	N/A	X (Max. 1/Node)	X (Max. 4/Node)	
STS-3c-7v (1048.32 Mbps)	N/A	N/A	X (Max. 2/Node)	(

(1) Optical to Electrical DS1 Add/Drop Capability as described in 26.3(A)(5) is needed along with an OC-3 port.

(2) OC-3 and OC-3c ports support both OC-3 and OC-3c bandwidths. OC-12 and OC-12c ports support both OC-12 and OC-12c bandwidths. OC-48 and OC-48c ports support both OC-48 and OC-48c bandwidths.

Certain material previously appearing on this page now appears on Original Page 26-7.1.

ACCESS SERVICE

26. Dedicated SONET Ring Service (Cont'd) (N)

26.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(3) Ports (Cont'd) (N)

(M)

By using the existing OC-3 or OC-12 Service and cross-connection capability, OC-3 point-to-point service may connect to an OC-3 port of an OC-12 or OC-48 ring, or OC-12 point-to-point service may connect to an OC-12 port of an OC-48 ring located in a Telephone Company CO.

An OC-3 port will permit the connection of STS-1 channels to other STS-1 channels across the OC-12 or OC-48 Dedicated SONET Ring Service, subject to the overall ring capacity limits described in 26.3(A)(7), following. Also, an STS-1 channel with DS1 payload mapping accessing an OC-12 Dedicated SONET Ring using an OC-3 port may be connected to the Optical-to-Electrical DS1 Add/Drop Capability for the purpose of connecting up to 28 DS1 ports. An STS-1 channel with DS3 payload mapping accessing the OC-12 or OC-48 Dedicated SONET Ring using an OC-3 port may individually connect to a DS3 or EC-1 port. (M)

Certain material appearing on this page previously appeared on 2nd Revised Page 26-7.

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

26. [1] (D)

[1] See footnote (1) on page 26-1

26.[1] (D)

[1] See footnote (1) on page 26-1

26. [1] (D)

[1] See footnote (1) on page 26-1

26. Dedicated SONET Ring Service (Cont'd)

26.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(7) Dedicated SONET Ring Connection Capacity (Cont'd)

OC-48 Dedicated SONET Ring Service also provides capability for node-to-node connections of STS-12c channels using OC-12 ports on the OC-48 ring. Each STS-12c to STS-12c channel connection requested by the customer reduces the remaining ring capacity by the equivalent of twelve DS3 port-to-DS3 port connections or 336 DS1 port-to-DS1 port connections.

An OC-12 Sub-ring provided as part of OC-48 Dedicated SONET Ring Service reduces the remaining OC-48 ring capacity by the equivalent of twelve DS3 port-to-DS3 port connections or 336 DS1 port-to-DS1 port connections.

Ethernet over SONET (EoS) allows the efficient transport of Ethernet frames using SONET. Ethernet ports will be available in bandwidths up to the Ethernet interface of 100 Mbps or 1 Gbps on Dedicated SONET Ring Service as set forth in Section 26. As SONET bandwidths will be preset, the customer will be unable to transmit data (including any bursts) beyond these preset SONET bandwidths. Interfaces of 100 Mbps Ethernet or 1 Gbps Ethernet are available only to customers with Next Generation SONET equipment. Only Single-Mode Fiber is available in the Central Office. The EoS line rates, defined in Section 26.4(C), are based on the theoretical SONET payload line rates as per GR-253-CORE, Issue 4. These values are not representative of the true Ethernet Transport capacity of the EoS circuit. (C) (C)

Additional features are provided with the Ethernet over SONET (EoS) capability: (N)

Virtual Concatenation (VCAT) provides the ability and flexibility to size the customer's bandwidth, sub-rate VT1.5 and super-rate STS-1 and 3c service payloads, based on their traffic requirements. For transport of payloads that do not fit efficiently into the standard set of VT1.5, STS-1 and STS-Nc payload envelopes, virtual concatenation can be used. (N)

(8) Electrical Connection – Level 1 (EC-1)

EC-1 is an electrical interface that can transport up to 51.84 Mb of bandwidth in a concatenated format. The EC-1 port is available on an OC-3, OC-12 and OC-48 ring. For the above connection capacity charts, the quantity of EC-1 ports is equivalent to the connection capacity of a DS-3.

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

26. [1] (D)

[1] See footnote (1) on page 26-1

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

26. [1] (D)

[1] See footnote (1) on page 26-1

(This page filed under Transmittal No. 176)

Issued: January 24, 2008 Effective: February 8, 2008

Four AT&T Plaza, Dallas, Texas 75202

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICE

26. Dedicated SONET Ring Service (Cont'd) (N)

26.4 Rates and Charges (Cont'd)

(C) Ports (Cont'd)

Description	USOC	36 Months	60 Months	Monthly Extension
EOS Ports				
Virtual Concatenation(VCAT)[1]				
- per multiplexing function				
10/100 BaseT Ethernet Port	S5P1X	250.00	180.00	350.00
Bandwidth options for port[2][4][5]				
VT1.5-1v (1.6 Mbps)				
VT1.5-2v (3.2 Mbps)				
VT1.5-3v (4.8 Mbps)				
VT1.5-4v (6.4 Mbps)				
VT1.5-5v (8.0 Mbps)				
VT1.5-6v (9.6 Mbps)				
VT1.5-7v (11.2 Mbps)				
VT1.5-8v (12.4 Mbps)				
VT1.5-10v (16.0 Mbps)				
VT1.5-13v (20.8 Mbps)				
STS-1-1v (48.38 Mbps)				
STS-1-2v (96.77 Mbps)				
1000 BaseSX Ethernet Port	S5P2X	425.00	350.00	500.00
1000 BaseLX Ethernet Port	S5P3X	425.00	350.00	500.00
Bandwidth options for port[3][4][5]				
STS-1-1v (48.38 Mbps)				
STS-1-2v (96.77 Mbps)				
STS-1-3v (145.15 Mbps)				
STS-1-4v (193.54 Mbps)				
STS-1-5v (241.92 Mbps)				
STS-1-6v (290.30 Mbps)				
STS-1-9v (435.46 Mbps)				
STS-1-12v (580.61 Mbps)				
STS-1-21v (1016.06 Mbps)				
STS-3c-1v (149.76 Mbps)				
STS-3c-2v (299.52 Mbps)				
STS-3c-3v (449.28 Mbps)				
STS-3c-4v (599.04 Mbps)				
STS-3C-7v (1048.32 Mbps)				

[1] Nonrecurring charges apply to EoS Ports, Virtual Concatenation (VCAT). See EoS Port charges on Page 26-23, for applicable nonrecurring charges.
[2] Actual payload capacity for selected bandwidth.
[3] Actual payload capacity for selected bandwidth applies to both SX and LX.
[4] Only Single-Mode Fiber is available in the Central Office.
[5] The EoS line rates defined herein are based on the theoretical SONET payload line rates as per GR-253-CORE, Issue 4. These values are not representative of the true Ethernet transport capacity of the EoS circuit. (N)

(This page filed under Transmittal No. 169)

ACCESS SERVICE

26. Dedicated SONET Ring Service (Cont'd)

26.4 Rates and Charges (Cont'd)

(C) Ports (Cont'd)

Description	USOC	36 Months	60 Months	Monthly Extension
- Per port (Re-Map)				
Per DS1 Re-Map Block (consists of 28 DS1 ports) at				
OC-3 Ring	P8RAX	1,400.00	1,260.00	1,820.00
OC-12 Ring	P8RGX	1,400.00	1,260.00	1,820.00
OC-48 Ring	P8RLX	1,400.00	1,260.00	1,820.00
Per DS3 Re-Map Port				
OC-3 Ring	P8RBX	120.00	110.00	150.00
Per DS3 Re-Map Block (consists of 3 DS3 ports) at				
OC-12 Ring	P8RCX	360.00	330.00	450.00
OC-48 Ring	P8RKX	360.00	330.00	450.00
Per DS3 Transmux Re-Map[1]	RN7TX	250.00	200.00	300.00
Per EC-1 Re-Map Port				
OC-3 Ring	S9N6X	120.00	110.00	150.00
OC-12 Ring	S9N8X	120.00	110.00	150.00
OC-48 Ring	S9N9X	120.00	110.00	150.00
Per OC-3,OC-3c Re-Map Port at				
OC-12 Ring	P8REX	150.00	130.00	190.00
OC-48 Ring	P8RJX	150.00	130.00	190.00
Per OC-12,OC-12c Re-Map Port at OC-48 Ring	P8RHX	375.00	350.00	475.00

Description	USOC	Nonrecurring Charge	
Nonrecurring charges for subsequent installation			
- Per port type			
OC-48 or OC-48c	NRBN9	$425.00	
OC-12 or OC-12c	NRBSZ	400.00	
OC-3 or OC-3c	NRBSW	400.00	
EC-1	NRBSX	385.00	
DS3	NRBSX	385.00	
DS3 w/Transmux	NRBSX	385.00	
DS1	NRBSY	350.00	
100 Mbps Ethernet STS-1	NRM63	385.00	
100 Mbps Ethernet STS-3c	NRM64	385.00	
1 Gbps Ethernet STS-1	NRM65	425.00	
1 Gbps Ethernet STS-3c	NRM66	425.00	
1 Gbps Ethernet STS-12c	NRM67	425.00	
1 Gbps Ethernet STS-24c	NRM68	425.00	
10/100 BaseT Ethernet Port	NRM63	385.00	(N
1000 BaseLX Ethernet Port	NRM65	425.00	(N
1000 BaseSX Ethernet Port	NRM66	425.00	(N

[1] Available for rings established on or after 10/17/06.

(This page filed under Transmittal No. 169)

ACCESS SERVICE

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICE

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICE

26. [1] (D)

[1] See footnote (1) on page 26-1

ACCESS SERVICES

27. [1] (D)

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27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

(This page filed under Transmittal No. 176)

27. [1] (D)

[1] See footnote (1) on page 27-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

(This page filed under Transmittal No. 176)

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICE

27. OC-192 Dedicated SONET Ring Service (Cont'd)

27.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(2) Add/Drop Capability

This provides the capability to add/drop lower speed channels from an OC-192 Dedicated SONET Ring Service node location via OC-48 or OC-12 ports. OC-192 Add/Drop Capability at an OC-192 Dedicated SONET Ring Service node location will support various combinations of service traffic not to exceed 192 STS-1 equivalents, contingent upon limitations of drop port capacity.

The OC-192 Add/Drop Capability charge is applied to all nodes,
excluding regenerators and CO nodes without drop ports.

(3) Ports

Ports provide access to the ring and to lower speed channels (DS3, EC-1, OC-3, OC-3c, OC-12, OC-12c, OC-48, OC-48c, OC-192, 100 Mbps (STS-1) Ethernet, 100 Mbps (STS-3c) Ethernet, 1 Gbps (STS-1) Ethernet, 1 Gbps (STS-3c) Ethernet, 1 Gbps (STS-12c) Ethernet and 1 Gbps (STS-24c) Ethernet) between nodes. Lower speed channels are accessible at nodes via port terminations.

Ethernet over SONET (EoS) allows the efficient transport of Ethernet frames using SONET. Ethernet ports will be available in bandwidths up to the Ethernet interface of 100 Mbps or 1 Gbps on SONET Ring Services as set forth in respective tariffs. As SONET bandwidths will be preset, the customer will be unable to transmit data (including any bursts) beyond these preset SONET bandwidths. Interfaces of 100 Mbps Ethernet or 1 Gbps Ethernet are available only to customers with Next Generation SONET equipment. Access into the Telephone Company's Ethernet ports must conform to industry standards and specifications as described in technical publication SBC-TP-76412-000. Only Single-Mode Fiber is available in the (C)
Central Office. The EoS line rates, defined in Section 27.4(C), are based on the theoretical SONET payload line rates as per GR-253-CORE, Issue 4. These values are not representative of the true Ethernet transport capacity of (C)
the EoS circuit.

ACCESS SERVICE

27. OC-192 Dedicated SONET Ring Service (Cont'd)

27.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd)

(3) Ports (Cont'd)

Accepted interfaces are as follows:

	OC-192 Node	
DS1 Ports	x(Max.84/OC-3Port)	
DS3 Ports	x(Max.192/Node)	
EC-1 Ports	x(Max.192/Node)	
OC-3, OC-3c Ports	x(Max.64/Node)	(T)
OC-12, OC-12c Ports	x(Max.16/Node)	(T)
OC-48, OC-48c Ports	x(Max.4/Node)	(T)
OC-192 Ports[1]	x(Max.1/Node)	
100 Mbps (STS-1) Ethernet Ports	x(Max.192/Node)	(C)
100 Mbps (STS-3c) Ethernet Ports	x(Max.64/Node)	
1 Gbps (STS-1) Ethernet Ports	x(Max.192/Node)	
1 Gbps (STS-3c) Ethernet Ports	x(Max.64/Node)	
1 Gbps (STS-12c) Ethernet Ports	x(Max.16/Node)	
1 Gbps (STS-24c) Ethernet Ports	x(Max.8/Node)	(C)
10/100 BaseT Ethernet Port		(N)
VT1.5-1v (1.6 Mbps)	X (Max. 84/OC-3)	
VT1.5-2v (3.2 Mbps)	X (Max. 42/OC-3)	
VT1.5-3v (4.8 Mbps)	X (Max. 28/OC-3)	
VT1.5-4v (6.4 Mbps)	X (Max. 21/OC-3)	
VT1.5-5v (8.0 Mbps)	X (Max. 16/OC-3)	
VT1.5-6v (9.6 Mbps)	X (Max. 14/OC-3)	
VT1.5-7v (11.2 Mbps)	X (Max. 12/OC-3)	
VT1.5-8v (12.40 Mbps)	X (Max. 10/OC-3)	
VT1.5-10v (16.0 Mbps)	X (Max. 8/OC-3)	
VT1.5-13v (20.8 Mbps)	X (Max. 6/OC-3)	
STS-1-1v (48.38 Mbps)	X (Max. 192/Node)	
STS-1-2v (96.77 Mbps)	X (Max. 96/Node)	
1000 BaseSX/LX Ethernet Port		
STS-1-1v (48.38 Mbps)	X (Max. 192/Node)	
STS-1-2v (96.77 Mbps)	X (Max. 96/Node)	
STS-1-3v (145.15 Mbps)	X (Max. 64/Node)	
STS-1-4v (193.54 Mbps)	X (Max. 48/Node)	
STS-1-5v (241.92 Mbps)	X (Max. 38/Node)	
STS-1-6v (290.30 Mbps)	X (Max. 32/Node)	
STS 1-9v (435.46 Mbps)	X (Max. 21/Node)	
STS-1-12v (580.61 Mbps)	X (Max. 16/Node)	
STS-1-21v (1016.06 Mbps)	X (Max. 9/Node)	
STS-3c-1v (149.76 Mbps)	X (Max. 64/Node)	
STS-3c-2v (299.52 Mbps)	X (Max. 32/Node)	
STS-3c-3v (449.28 Mbps)	X (Max. 21/Node)	
STS-3c-4v (599.04 Mbps)	X (Max. 16/Node)	
STS-3c-7v (1048.32 Mbps)	X (Max. 9/Node)	(N)

(1) OC-192 and OC-192c ports support both OC-192 and OC-192c bandwidths.

Certain material previously appearing on this page now appears on Original Page 27-7.1.

27. OC-192 Dedicated SONET Ring Service (Cont'd) (N)

27.3 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd) (N)

(3) Ports (Cont'd) (M)

OC-3, OC-3c, OC-12, OC-12c, OC-48 and OC-48c ports may be ordered at CO nodes. Both are available for Service-to-Service through Connect with Broadband Circuit Service (BCS)* or Optical Carrier Network Point-to-Point Service as set forth in Section 21.

(4) Mileage

Mileage is charged as specified in Section 7.2.1(B). Fractions of a mile are rounded up to the whole mile for rate calculations. A one-mile minimum will be billed between nodes. A two-node ring configuration has a two-mile minimum, one mile from the wire center node to the customer premises node, and one mile from the customer premises node to the wire center node.

(5) Ring Regenerator

Regenerators provide essential detection and retransmission of the SONET Optical 9.953 Gbps signal between nodes. Regenerators will only be provided as required by the Telephone Company when actual fiber facility distances between nodes exceed inter-nodal design limits. Regenerators will be located exclusively in Telephone Company COs, and do not allow ports to access customer service connections.

(6) Electrical Connection – Level 1 (EC-1)

EC-1 is an electrical interface that can transport up to 51.84 Mb of bandwidth in a concatenated format. The EC-1 port is available on an OC-3, OC-12, OC-48 and OC-192 ring. For the above connection capacity charts, the quantity of EC-1 ports is equivalent to the connection capacity of a DS-3.

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (M)

Certain material appearing on this page previously appeared on 1st Revised Page 27-7.

ACCESS SERVICE

27. OC-192 Dedicated SONET Ring Service (Cont'd)

27.3 Rate Regulations (Cont'd)

(B) Dedicated Ring Connection Capacity

Maximum transport capacity of OC-192 Dedicated SONET Ring Service is characterized by the total quantity of individual port-to-port connections allowed between all nodes on the ring.

For OC-192 Dedicated SONET Ring Service, the maximum ring capacity between adjacent nodes is not to exceed 96 STS-1 equivalents.

OC-192 Dedicated SONET Ring Service will provide capability for node-to-node connection of STS-1 or STS-3c channels using OC-3, OC-3c, OC-12, OC-12c, OC-48, OC-48c, 100 Mbps Ethernet or 1 Gbps Ethernet ports on the OC-192 ring.

OC-192 Dedicated SONET Ring Service will provide capability for node-to-node connections of STS-12c channels using OC-12, OC-12c, OC-48, OC-48c or 1 Gbps Ethernet ports on the OC-192 ring.

OC-192 Dedicated SONET Ring Service will provide capability for node-to-node connections of STS-48c channels using OC-48 or OC-48c ports on the OC-192 ring.

Virtual Concatenation (VCAT) provides the ability and flexibility to size the customer's bandwidth, sub-rate VT1.5 and super-rate STS-1 and 3c service payloads, based on their traffic requirements. For transport of payloads that do not fit efficiently into the standard set of VT1.5, STS-1 and STS-Nc payload envelopes, virtual concatenation can be used. (N)
(N)

27. [1] (D)

[1] See footnote (1) on page 27-1

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

(This page filed under Transmittal No. 176)

ACCESS SERVICES

27. [1] (D)

[1] See footnote (1) on page 27-1

27. [1] (D)

[1] See footnote (1) on page 27-1

ACCESS SERVICE

27. OC-192 Dedicated SONET Ring Service (Cont’d) (N)

27.4 Rates and Charges (Cont’d)

(C) Ports (Cont’d)

Description	USOC	3 year	5 Year	Monthly Extension
EoS Ports Virtual Concatenation(VCAT)[1]				
- per multiplexing function				
10/100 BaseT Ethernet Port	S5P1X	250.00	180.00	350.00
Bandwidth options for port[2][4][5]				
VT1.5-1v (1.6 Mbps)				
VT1.5-2v (3.2 Mbps)				
VT1.5-3v (4.8 Mbps)				
VT1.5-4v (6.4 Mbps)				
VT1.5-5v (8.0 Mbps)				
VT1.5-6v (9.6 Mbps)				
VT1.5-7v (11.2 Mbps)				
VT1.5-8v (12.4 Mbps)				
VT1.5-10v (16.0 Mbps)				
VT1.5-13v (20.8 Mbps)				
STS-1-1v (48.38 Mbps)				
STS-1-2v (96.77 Mbps)				
1000 Base SX Ethernet Port	S5P2X	425.00	350.00	500.00
1000 Base LX Ethernet Port	S5P3X	425.00	350.00	500.00
Bandwidth options for port[3][4][5]				
STS-1-1v (48.38 Mbps)				
STS-1-2v (96.77 Mbps)				
STS-1-3v (145.15 Mbps)				
STS-1-4v (193.54 Mbps)				
STS-1-5v (241.92 Mbps)				
STS-1-6v (290.30 Mbps)				
STS-1-9v (435.46 Mbps)				
STS-1-12v (580.61 Mbps)				
STS-1-21v (1016.06 Mbps)				
STS-3c-1v (149.76 Mbps)				
STS-3c-2v (299.52 Mbps)				
STS-3c-3v (449.28 Mbps)				
STS-3c-4v (599.04 Mbps)				
STS-3c-7v (1048.32 Mbps)				

[1] Nonrecurring charges apply to EoS Ports, Virtual Concatenation (VCAT). See EoS Port charges on Page 27-16, for applicable nonrecurring charges.
[2] Actual payload capacity for selected bandwidth.
[3] Actual Payload capacity for selected bandwidth applies to both SX and LX.
[4] Only Single-Mode Fiber is available in the Central Office.
[5] The EoS line rates defined herein are based on the theoretical SONET payload line rates as per GR-253-CORE, Issue 4. These values are not representative of the true Ethernet transport capacity of the EoS circuit. (N)

27. OC-192 Dedicated SONET Ring Service (Cont'd)

27.4 Rates and Charges (Cont'd)

(C) Ports (Cont'd)

Description	USOC	36 Months	60 Months	Monthly Extension
- Per port (Re-Map) Per DS1 Re-Map Block (consists of 28 DS1 ports) at OC-192 Ring	RN76X	$1400.00	$1260.00	$1820.00
Per DS3 Re-Map Block (consists of 3 DS3 ports at OC-192 Ring	RN77X	360.00	330.00	400.00
Per DS3 Re-Map Port at OC-192 Ring	RN71X	120.00	110.00	150.00
Per DS3 Transmux Re-Map[1]	RN7TX	200.00	200.00	300.00
Per EC-1 Re-Map Port at OC-192 Ring	S4NMX	120.00	110.00	150.00
Per OC-3 Re-Map Port at OC-192 Ring	RN72X	150.00	135.00	190.00
Per OC-12 Re-Map Port at OC-192 Ring	RN73X	375.00	360.00	475.00
Per OC-48 Re-Map Port at OC-192 Ring	RN74X	825.00	700.00	1425.00

Description	USOC	Nonrecurring Charge	
Nonrecurring charges for subsequent installation			
- Per port type			
DS1	NRBSY	$350.00	
DS3	NRBSX	385.00	
DS3 w/Transmux[1]	NRBSX	385.00	
EC-1	NRBSX	385.00	
OC-3,OC-3c	NRBSW	400.00	
OC-12,OC-12c	NRBSZ	400.00	
OC-48,OC-48c	NRBN9	425.00	
OC-192	NRBN2	750.00	
100 Mbps Ethernet (STS-1) at OC-192 node	NRM63	385.00	
100 Mbps Ethernet (STS-3c) at OC-192 node	NRM64	385.00	
1 Gbps Ethernet (STS-1) at OC-192 node	NRM65	385.00	
1 Gbps Ethernet (STS-3c) at OC-192 node	NRM66	425.00	
1 Gbps Ethernet (STS-12c) at OC-192 node	NRM67	425.00	
1 Gbps Ethernet (STS-24c) at OC-192 node	NRM68	425.00	
10/100 BaseT Ethernet Port	NRM63	385.00	(N)
1000 BaseLX Ethernet Port	NRM65	425.00	(N)
1000 BaseSX Ethernet Port	NRM66	425.00	(N)

[1] AVAILABLE FOR RINGS ESTABLISHED ON OR AFTER 10/17/06.

27.[1] (D)

[1] See footnote (1) on page 27-1

27. [1] (D)

[1] See footnote (1) on page 27-1

28. (D)

(D)

28. (D)

(D)

(This page filed under Transmittal No. 230)

28. (D)

(D)