
ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

Because the Service Offers made under Contract Offers Nos. 1 through 49, 51 through 53, and 57 have no current customers and are closed to new subscriptions as of the original effective date of this tariff, these offers have been deleted from this tariff and their corresponding sections contain no material.

This Section is separated into two subsections:

PART 1 describes Contract Tariff Offers that require concurrent subscription to one or more tariffs owned by AT&T. These Offers are jointly administered by AT&T and Frontier.

PART 2 describes Contract Tariff Offers that are administered solely by Frontier.

PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs

This Section contains a list of the Pricing Flexibility Contract Offerings with concurrent subscriptions between AT&T Companies and The Southern New England Telephone Company (SNET). The SNET has been purchased by Frontier Communications and is no longer an AT&T company. Therefore, these offerings will be jointly administered by AT&T and Frontier. The existing rates, regulations, terms and conditions will remain in effect without change for the duration of the term.

25.1 through 25.49 These Contract Offers have been deleted.

25.50 See PART 2

25.51 through 25.53 These Contract Offers have been deleted.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.1 General Description

This DS1, DS3 Service Offer (Contract Offer No. 54) is an access discount, pricing plan which concurrent subscription is required to the following Access Tariffs: Frontier Telephone Companies Tariff F.C.C. No. 11, Contract Offer No. 54, and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 207. The Telephone Company and Ameritech shall be identified herein as the "Qualified Companies."

Contract Offer No. 54 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as described in Section 25.54.5 herein. The MARC will consist of recurring revenues, in the aggregate, from all Subject Services and Non-Subject Services purchased from the Telephone Company and in the other Concurrently Subscribed Contract Offers. Subject Services and Non-Subject Services, as defined in Section 25.54.2, and in the other Concurrently Subscribed Contract Offer identified in Section 25.54.3, which are purchased from either of the Qualified Companies, may be referred to as "MARC Eligible Services."

Contract Offer No. 54 will be available only from December 13, 2011 through January 13, 2012.

25.54.2 Subject Services and Non- Subject Services

MARC-Eligible services consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Qualified Companies and located within the "Operating Territory" of either of the Qualified Companies, as described in this tariff, Section 1 (Operating Territory), and Ameritech Tariff F.C.C. No. 2, Section 14 (Operating Territory), respectively.

(A) Subject Services are listed in Table A, below.

Table A - Subject Services

Subject Services

Interstate Special Access	DS1 & DS3
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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.2 Subject Services and Non- Subject Services (Cont'd)

(A) (Cont'd)

- (1) Only those Subject Services that were initially ordered and purchased by the Customer under SNET Contract Offer Nos. 48 or 52 prior to Customer's subscription to this Contract Offer, may be included in this Contract Offer. Subject Services will be referred to as "Existing Subject Services."
- (2) Subject Services that were not being purchased from the Telephone Company prior to its subscription to this Contract Offer will be referred to as "New Subject Services."
- (3) All terms and conditions for the Subject Services are governed by the respective tariff sections, except as provided to the contrary in this Contract Offer No. 54.
- (4) All Subject Services must be located in MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in this tariff, Section 24.2, and additional MSAs listed in Table B, 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 21 or Table B at the time of subscription, the Customer may, at its option, include Subject Services provided in such additional MSAs in this Contract Offer No. 54, as described in 25.54.2, Table (A), herein, by providing written notice to the Telephone Company.

Table B

MSA

Bridgeport	CT
Hartford	CT
New Haven	CT
New London	CT

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.2 Subject Services and Non- Subject Services (Cont'd)

(B) Non-Subject Services are listed in Table C, below.

Table C – Non-Subject Services

Category	Non-Subject Services
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
Broadband Interstate Special Access	Optical Carrier Network Point-to- Point (OCN PTP), Dedicated SONET Ring Service (DSRS), 1G Dedicated Ethernet, 10G Dedicated Ethernet, Basic Switched Ethernet Service, and Ultimate Switched Ethernet Services ¹
Intrastate Special Access	Intrastate services equivalent to the interstate services listed above as Subject Services

¹ OCN PTP, DSRS, 1G Dedicated Ethernet, 10G Dedicated Ethernet, Basic Switched Ethernet, and Ultimate 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 54:

- (A) In addition to subscribing to, and purchasing Subject Services from, this Contract Offer throughout the Term Period, the Customer must concurrently subscribe to, and purchase service from, the following contract offer: Ameritech Tariff F.C.C. No. 2, Contract Offer No. 207.
- (B) Ameritech Tariff F.C.C. No. 2, Contract Offer No. 207 and this Contract Offer may be referred to as the "Concurrently Subscribed Contract Offers." Any breach or termination of either of the Concurrently Subscribed Contract Offers shall be deemed to be a breach or termination of both of the Concurrently Subscribed Contract Offers.
- (C) During the month prior to the Customer's subscription to Concurrently Subscribed Contract Offers, the Customer must have been purchasing DS1 and DS3 interstate special access services from each of the Qualified Companies.
- (D) The Customer's subscription to, and purchase of, Subject Services from the Qualified Companies under the Concurrently Subscribed Contract Offers must include all of the Customer's subsidiaries and affiliates.
- (E) 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, 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 54:

(A) Subscription

To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company. The LOS shall list the ACNAs of the Customer and all such affiliates and subsidiaries ("Eligible ACNAs"). Services ordered or purchased under other ACNAs may not be transferred to, or otherwise included in, this Contract Offer, except as expressly provided herein.

- (1) The Customer may purchase Subject Services pursuant to this Contract Offer under ACNAs other than Eligible ACNAs ("Other ACNAs"), and/or the Customer may transfer Subject Services from Other ACNAs to Eligible ACNAs, upon thirty (30) day written notice by the Customer. Subject Services purchased under, or transferred from, Other ACNAs shall be deemed to be New Subject Services upon their purchase under, or transfer to, this Contract Offer.
- (2) If the Customer purchases Subject Services pursuant to this Contract Offer under Other ACNAs, and/or if services are transferred from Other ACNAs to Eligible ACNAs, the MARC shall be increased to reflect such purchase under, or inclusion in, this Contract Offer. The amount by which the MARC is increased shall be equal to the billed Monthly Recurring Charges (MRCs) applicable to the services included in, or transferred to, this Contract Offer from Other ACNAs 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), or purposes of determining the MARC for each Term Year thereafter.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.4 Terms and Conditions(B) Term Period

The term of this Contract Offer (Term Period) shall be five (5) years commencing on the date the Telephone Company receives the signed Letter of Subscription from the Customer ("Subscription Date"). This Contract Offer, including, without limitation, the issuance of credits pursuant to this Contract Offer, shall terminate upon the expiration of the Term Period. This Contract Offer is not renewable.

(C) Purchases of the Subject Services are also subject to certain rates, charges and general terms and conditions in other sections of this tariff, set forth in Sections-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Testing Maintenance and Additional Labor Services, and such terms and conditions may be modified through filing tariff changes at any time during the Term Period. Any such modifications will not change the Terms and Conditions of Contract Offer No. 54.

(D) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in Section 5 -Ordering Options for Switched Access and Special Access Services.

(E) Existing Subject Services (as defined in Section 25.54.2(A)(1)) shall be eligible for credits under this Contract Offer beginning on the Subscription Date. New Subject Services (as defined in Section 25.54.2(A)(2)) shall be eligible for credits when placed in service.

(F) If the Customer subscribed to SNET Contract Offer Nos. 48 and/or 52 prior to the effective date of this Contract Offer, then: (i) this Contract Offer shall supersede Contract Offer Nos. 48 and/or 52, effective on the Subscription Date; (ii) SNET Contract Offer Nos., 48 and/or 52 shall be terminated without termination liability; and (iii) all Subject Services within the meaning of Contract Offer Nos. 48 and/or 52 and being purchased under either of the Contract Offers as of the Subscription Date shall become Existing Subject Services under this Contract Offer, as defined in Section 25.54.2(A).

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.4 Terms and Conditions(G) Service Term

Each Subject Service shall be subject to a twelve (12) month service term commitment, which shall begin as provided below (Service Term). Upon expiration of the Term Period of this Contract Offer, each Subject Service shall be provided for the remainder of the applicable Service Term, if any, according to the rates, terms and conditions applicable to a twelve (12) month term commitment pursuant to Section 7.16.4, as applicable.

(1) The Service Term for each Existing Subject Service shall begin on the date such Subject Service was placed in service, or began its existing commitment (that is, its term commitment prior to subscription to this Contract Offer), whichever is later.

(2) The Service Term for each New Subject Service shall begin on the date the Subject Service is placed in service.

(H) Incentive Credits

(1) DS1 Incentive Credits. Telephone Company will issue credits to the Customer in the amount of any termination liability charges paid by the Customer as a result of the disconnection of DS1 Subject Services during the Term Period, provided that all Terms and Conditions of this Contract Offer have been met.

(2) DS3 Incentive Credits. The Telephone Company will issue credits to the Customer in the amount of any termination liability charges paid by the Customer as a result of the disconnection of DS3 Subject Services during the Term Period, provided that any such DS3 Subject Service has been in service for a minimum of six (6) months as of the time of termination, and all Terms and Conditions of this Contract Offer have been met.

(3) Any applicable credits shall be applied to Customer's bill sixty (60) days after termination of the circuit.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.4 Terms and Conditions(I) Technology Upgrade

As long as the Customer meets all Terms and Conditions in Section 25.54.4, the Customer may purchase services which offer features based on upgraded technology from the Telephone Company to replace one or more Subject Services listed in Section 25.54.2, Table A. Once eligibility is determined, the Telephone Company shall waive termination penalties provided that the desired upgraded technology:

- (1) Is comparable to existing Subject Services;
- (2) Provides substantially the same functionality as the existing Subject Services;
- (3) Customer agrees to purchase the upgraded technology for at least the remainder of the Term Period of this Contract Offer; and
- (4) Any Existing Subject Service must have been in service for a minimum of twelve (12) months from its installation date to its disconnection date.

(J) Commingling is defined in Section 2.13. Commingling of Subject Services provided pursuant to this Contract Offer is prohibited.25.54.5 Minimum Annual Revenue Commitment (MARC)

This Contract Offer requires the Customer to maintain a Minimum Annual Revenue Commitment (MARC) throughout the Term Period. Each period of three hundred sixty-five (365) days during the Term Period shall be known as a "Term Year," and shall begin on the Subscription Date. Revenue contributing to the MARC shall consist of gross billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (other than those issued under the Concurrently Subscribed Contract Offers) and any adjustments for overbilling, under-billing and billing dispute settlements with respect to MARC Eligible Services ("MARC Revenue"). As clarification, but not to modify the foregoing sentence, Non-Recurring Charges (NRCs) shall not be included in MARC Revenue. The MARC will be as provided in Section 25.54.5(A).

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)(A) Minimum Annual Revenue Commitment

For the first year of the Term Period, the Customer's MARC shall be the greater of (i) five hundred thousand dollars (\$500,000), or (ii) four (4) times the Customer's Monthly Recurring Revenue for MARC Eligible Services for the most recent three (3) months, rounded to the nearest thousand dollars (\$1,000). For subsequent years during the Term Period, MARC shall be equal to the MARC applicable in the first year of the Term Period.

(B) Failure to Achieve the MARC

If, for any Term Year, the Customer fails to satisfy the MARC for any year of the Term Period, the Customer must choose one of the options below:

- (1) The Customer shall pay a True-Up Payment as provided in Section 25.54.5 (C), below; or
- (2) This Contract Offer will be terminated, in which case the Customer must pay termination liability charges as set forth in Section 25.54.9, following.

(C) Annual True-Up

The Telephone Company shall conduct an Annual True-Up as of the end of each Term Year. If, for any Term Year, the Customer's MARC Revenue is less than the MARC applicable during that Term Year, the Telephone Company will notify the Customer, and the Customer will be required to make a True-Up Payment equal to the difference between the Customer's MARC Revenue and the MARC for the relevant Term Year. The True-Up Payment will be due sixty (60) days after the Telephone Company provides notice to the Customer. The True-Up Payment will be calculated as follows:

Annual MARC - MARC Revenue = Amount of True-Up Payment

If the Customer fails to make a True-Up payment to the Telephone Company when due, the Customer shall be deemed to have terminated this Contract Offer and termination charges will apply, as set forth in Section 25.54.9, below.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.6 Rates

- (A) Table D, below, contains the effective rates for Subject Services under this Contract Offer No. 54. Any rate elements not listed in Table D will be provided at the applicable rates in Section 7. Each circuit element (Channel Termination / Local Distribution Channel (LDC) and Mileage) must be located entirely in the MSAs listed in Section 25.54.2(A) to be eligible for these rates.
- (B) The Telephone Company will initially bill the Customer according to the otherwise applicable twelve (12) month Optional Payment Plan MRCs ("OPP MRCs"). The Customer will then be credited in an amount equal to the difference between the otherwise applicable OPP MRCs and the MRCs for the rate elements listed in Table D, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the OPP MRC rates, but will not be included in the credits applied to the Customer's bill.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.6 Rates

Table D – Rates

<u>Rate Elements</u>	<u>MRC</u>
DS3 Local Distribution Channel (LDC) w/electrical Interface	\$807.50
DS3 Channel Mileage Termination (CMT) - Per Point of Termination-	\$232.75
DS3 Channel Mileage-Per Mile	\$33.15
DS3 Interconnection-Central Office Multiplexing	\$427.50
DS1 Channel Termination plus DS1 Channel Mileage 0 miles LDC (Bundled Rate)	\$113.00
DS1 Channel Termination plus DS1 Channel Mileage 1-10 miles (Fixed and per mile) LDC (Bundled Rate)	\$185.00
DS1 Channel Termination plus DS1 Channel Mileage 11-20 miles (Fixed and per mile) LDC (Bundled Rate)	\$225.00

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.6 Rates (Cont'd)

- (C) The Telephone Company shall waive the following Non- Recurring charges (NRCs) associated with the purchase of Subject Services:
- (1) Design and Central Office Connection Charge per Circuit, Section 7; and
 - (2) Customer Connection Charge per termination, Section 7.

25.54.7 Assignment/Transfer/Successors

- (A) Neither party shall assign or otherwise transfer without the prior written consent of the other party (which consent will not be unreasonably withheld or delayed) this Contract Offer No. 54. Customer may, without the Telephone Company's consent, but upon notice to the Telephone Company, assign in whole or relevant part, its rights and obligations under this Contract Offer No. 54 to an Affiliate, but Customer will remain financially responsible for the performance of such obligations. The Telephone Company may, without Customer's consent, assign in whole or relevant part, its rights and obligations under this Contract Offer No. 54 to an Affiliate, or subcontract to an Affiliate or a third party for work to be performed under this Contract Offer No. 54, but the Telephone Company will in each such case remain financially responsible for the performance of such obligations. "Affiliate" of a party means any entity that controls, is controlled by, or is under common control with, such party.
- (B) Any assignment, other than as permitted by this Section 25.54.7(A), is void.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.8 Mergers/Acquisitions

All provisions of this Contract Offer No. 54 shall continue in full force and in effect, notwithstanding any merger or acquisition affecting a party. A merger or acquisition, within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger or acquisition, if 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.54 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.54 Contract Offer No. 54 - DS1/DS3 Service Offer25.54.9 Termination Liability

Termination liability language, described below, applies in lieu of the termination liability language described in Section 2.11.1.1(B)(a). If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, or fails to meet any of the eligibility criteria or any of the Terms and Conditions of this Contract Offer, the Customer must pay the Telephone Company termination liability charges as described in this Section. These charges shall become due as of the effective date of the termination. The Customer must provide written notification to the Telephone Company sixty (60) days prior to the desired date of termination of the Contract Offer.

The Customer's termination liability charges shall be equal to: (i) fifty percent (50%) of the difference between the MARC Revenue and the MARC for the Term Year in which termination occurs, plus (ii) fifty percent (50%) of the MARC for the remaining Term Years in the Term Period and (iii) any Incentive Credits per Section 25.54.4.H paid to Customer prior to termination.

$50\% (\text{MARC} - \text{MARC Revenue}) + 50\% (\text{Annual MARC} \times \text{years remaining}) + 100\% (\text{incentive credits paid to Customer}) = \text{Termination Liability Charge}$

Example:

The Customer terminates the contract at the end of the second year of the Term Period and has three (3) years remaining in the Term Period. The Year 2 MARC is \$500,000 and MARC Revenue (per the Annual True Up) is \$400,000. The termination liability charge will be as follows:
 $50\% \times (\$500,000 - \$400,000) + 50\% \times (\$500,000 \times 3) = \$800,000$
Termination Liability Charge

25.55 See PART 2

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer25.56.1 General Description

This Special Access Service Offer (Contract Offer No. 56) is an access services plan for which concurrent subscription is required to the following Access Tariffs: Frontier Telephone Companies Tariff F.C.C. No. 11, Contract Offer No. 56, Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 28; 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. 56, "Concurrently Subscribed Contract Offers"). NBTC, PBTC, Ameritech, BellSouth and SWBT, with the Telephone Company, shall be identified herein as the "Qualified Companies."

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.56.3, and the Terms and Conditions in Section 25.56.4, to disconnect Subject Services, as defined in Section 25.56.2, without incurring termination liability charges.

This Contract Offer is available for subscription from October 27, 2012 through November 27, 2012. This Contract Offer is not renewable.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.2 Subject Services

- (A) Contract Offer No. 56 applies to pricing flexibility qualified access services contained in the following tariff sections (Subject Services):

(1) Sections 7 and 24 – DS1 and DS3 High Capacity Service.

Subject Services must be located in Metropolitan Statistical Areas (MSAs) for which the Telephone Company has been granted pricing flexibility relief, as listed in Section 24, 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

Bridgeport	CT
Hartford	CT
New Haven	CT
New London	CT

- (B) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

25.56.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 56 discounted rates:

- (A) Concurrently Subscribed Contract Offers.

Customer must concurrently subscribe to the following Contract Offers:

PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 161;
NBTC Tariff F.C.C. No. 1, Section 23, Contract Offer No. 28;
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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.3 Eligibility Criteria (Cont'd)

- (B) 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."
- (C) 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.
- (D) 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.
- (E) 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.4 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 this tariff.
- (E) Commingling (as defined in Section 2.13) of Subject Services provided pursuant to this Contract Offer No. 56 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.4 Terms and Conditions (Cont'd)

- (G) 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 service¹ provided to the Customer by the Telephone Company at the same Qualified Cell Site, with Ethernet¹ 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.
- (H) 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.4 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 25.56.6(G). 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Section 2.5.5, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.5.5, 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.

- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.56.5 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.56 Contract Offer No. 56 – Special Access Offer (Cont'd)25.56.6 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.

25.57 This Contract Offer has been deleted.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service25.58.1 General Description

The Special Access Service Offer (Contract Offer No. 58, or Contract Offer) is a Minimum Annual Revenue Commitment plan for which concurrent subscription is required to the following Access Tariffs: Frontier Telephone Companies Tariff F.C.C. No. 11, Contract Offer No. 58, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 185; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 29; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 164; 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. 58, the “Concurrently Subscribed Contract Offers”). NBTC, PBTC, SWBT, BellSouth, Ameritech and the Telephone Company may be identified as the “Qualified Companies.”

The Concurrently Subscribed Contract Offers require the Customer to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 25.58.5. The MARC consists of certain recurring revenues from “MARC-Eligible Services” as defined in Section 25.58.5 (A), below for Services listed under this Contract Offer, purchased from the Qualified Companies, as provided in the Concurrently Subscribed Contract Offers

The MARC-eligible services provided by the Telephone Company are described in Section 25.58.2.

Contract Offer No. 58 will be available for subscription only from March 30, 2013 through April 30, 2013. This offer is not renewable.

25.58.2 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.2 Subject and Non-Subject Services (Cont'd)

- (A) Contract Offer No. 58 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 Section 24. During the Term Period of this Contract Offer No. 58, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 24 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. 58.

(B) Subject Services

Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below.

Table A – Subject Services

<u>Category</u>	<u>Services Included</u>
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

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.2 Subject and Non-Subject Services (Cont'd)(C) Non-Subject Services

Non-Subject Services listed in Table B, below.

Table B – Non-Subject Services

<u>Category</u>	<u>Services Included</u>
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, 1G Dedicated Ethernet, 10G Dedicated Ethernet, Frontier Optical Transport Services, Basic Switched Ethernet Service, and Ultimate Switched Ethernet Services

- (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.

¹ Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), 1G Dedicated Ethernet, 10G Dedicated Ethernet, Frontier Optical Transport Services, Basic Switched Ethernet Service, and Ultimate 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.2 Subject and Non-Subject Services (Cont'd)

- (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. 58.

25.58.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 58:

- (A) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers:
- 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
 - Frontier Telephone Companies Tariff F.C.C. No. 11, Contract Offer No. 58.

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 25.58.3, tariff discount plans other than pricing flexibility contract tariffs shall not be deemed to be individually negotiated.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.4 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.
- (B) **Term Period.** The term of this Contract Offer No. 58 (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. 58 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 25.58.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.**

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.4 General Terms and Conditions (Cont'd)

- (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.
- (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 this tariff (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 8-Testing, Maintenance and Additional Labor 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.4 General Terms and Conditions (Cont'd)

- (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 25.58.2 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:

$$(\text{Access Revenue}) / (\text{Access Revenue} + \text{Wholesale Revenue})$$

- (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 C, below:

Table C

<u>Service</u>	<u>Tariff Sections</u>
VG, DS1 and DS3 Services	Sections 7 and 24

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.4 General Terms and Conditions (Cont'd)

(G) (Cont'd)

- (2) Wholesale Revenue is the Customer's recurring billed revenue for associated rate elements, as defined in Table D, below, not included in the interstate tariff(s) and/or the Interstate Access Guidebook.

Table D

<u>Service Level</u>	<u>Associated Rate Elements Not Included in Interstate Tariff</u>
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

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.4 General Terms and Conditions (Cont'd)

(G) (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 under which the Customer obtains service.

(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 25.58.4(H) (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 25.58.4(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 25.58.13. This Section 25.58.4 shall not alter the rights of the Telephone Company in case of interference with, impairment of or unlawful use of service.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.5 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 MARC Attainment Credit

- (A) The Customer will qualify for MARC Attainment Credits (“MAC”) as provided in this Section 25.58.6 if it meets the requirements specified in this Section 25.58.6. 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 E, below, subject to the provisions of this Section 25.58.6.

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 E) 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 E) 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 25.58.6(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 25.58.6 (B), below.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 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 \$1.5 million, for the first Credit Attainment Period of Term Year 2.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 MARC Attainment Credit (Cont'd)

(A) (Cont'd)

Table E: 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%
5	110% of Tier 5 Minimum	(110% of Tier 6 Minimum) minus \$.01	10%

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 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\% \times \$80 \text{ 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.

(2) 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.6 MARC Attainment Credit (Cont'd)(B) Annual True-up Process (Cont'd)(2) 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\% \times \$80 \text{ million} = \5.6 million , minus \$2 million in MAC previously issued in Term Year 2).

25.58.7 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 Section 24, 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 25.58.6, 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.8 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.8 Service Level Assurance (Cont'd)

- (B) SLA Measurements and Benchmarks. If the Qualified Companies fail to achieve the benchmarks set forth in Table F, below, SLA Credits shall apply as provided in Section 25.58.8(C), below.

Table F – SLA Measurements and Benchmarks

<u>Measurement</u>	<u>Benchmark</u>
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 G, 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 G – SLA Performance Credits

<u>Measurement</u>	<u>Credit if Benchmark Not Achieved Per Term Year</u>
MTTR	\$100,000
On Time Delivery	\$100,000
New Circuit Failure Rate	\$100,000
Repeat Reports within 30 days	\$100,000

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.9 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 H, 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 H, 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.9 Termination Liability Credit (Cont'd)

Table H: Termination Liability Credit

<u>Term Year</u>	<u>If MARC is</u>	<u>Maximum Credit in Term Year</u>
1	Term Year 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

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.10 Non-Recurring Charge Credit

The non-recurring charges (NRCs) set forth in Sections 5, 7, 8 and 24, shall apply to Subject Services provided under this Contract Offer, subject to this Section 25.58.10.

- (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) TZ4AX (for DS1 Subject Services); and (ii) TZ4BX (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 25.58.10; (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.
- (B) The Qualified Companies will bill in accordance with Sections 5, 7, 13 and 24, 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: TZ4AX, and with the DS3 USOC TX4BX.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.11 Assignment/Transfer/Successors

- (A) Subject to the provisions of Section 25.58.12, 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 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 25.58.11(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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.12 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.

25.58.13 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 this tariff. 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 25.58.13.

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 58 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. 58, 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. 58 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.13 Termination Liability Charges (Cont'd)

- (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 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);
 - (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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 1 – Offers Requiring Concurrent Subscription to AT&T and Frontier Tariffs (Cont'd)25.58 Contract Offer No. 58 – Access Service (Cont'd)25.58.13 Termination Liability Charges (Cont'd)

(C) (Cont'd)

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:

- (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 25.58.13(C)(1), by the amount of any Annual Shortfall charges paid for that Term Year, not to exceed the excess amount determined under Section 25.58.13(C)(1), above; or
- (3) if there is no reduction under Section 25.58.13(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 25.58.13(C)(1) and (2), or the reduction under Section 25.58.13(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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier

25.1 through 25.49 These Contract Offers have been deleted.

25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer25.50.1 General Description

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.50.3, and otherwise comply with the terms and conditions of this Contract Offer, to disconnect Subject Services, as defined in Section 25.50.2 without incurring termination liability charges. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSAs) listed in Section 25.50.2 (B).

This Contract Offer is available for subscription from March 16, 2011 through April 16, 2011. This Contract Offer is not renewable.

25.50.2 Subject Services

- (A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: Section 7 – DS1 High Capacity Service 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 Section 24, and in the MSAs 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 eligible for the discounts under this Contract Offer No. 50.

Table A

MSA

Bridgeport	CT
Hartford	CT
New Haven	CT
New London	CT

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to Contract Offer No. 50:

- (A) All Subject Services must originate or terminate on a wireless carrier's network.
- (B) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been operating no fewer than three hundred (300) and no more than five hundred (500) cell sites, which must be activated and providing service within the MSAs described in 25.50.2(B). 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."
- (C) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been purchasing no fewer than one thousand five hundred (1,500) and no more than two thousand five hundred (2,500) DS1 special access circuits from the Telephone Company, each of which terminates at a Qualified Cell Site.

25.50.4 Terms and Conditions(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty (60) months, beginning on the date the Letter of Subscription (LOS) is signed by the last of the Customer and the Telephone Company (Subscription Date). This Contract Offer is not renewable.

(B) General Terms and Conditions

- (1) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of this tariff, (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.50.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.4 Terms and Conditions (Cont'd)(B) General Terms and Conditions (Cont'd)

- (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) 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). All Subject Services under this Contract Offer must be purchased under such ACNAs. Subject Services ordered or purchased under other ACNAs may not be transferred or converted for inclusion under this Contract Offer.
- (4) The Customer may disconnect Subject Services without termination liability charges; provided that:
 - (a) the Customer replaces the disconnected Subject Services with Ethernet¹-based services offered by, and purchased from, the Telephone Company;
 - (b) such Ethernet¹-based services are provided at total Monthly Recurring Charges (MRCs) equal to, or greater than, those applicable to the Subject Services being replaced; and
 - (c) such Ethernet¹-based services are subject to a term commitment of sixty (60) months or more. The Customer will be deemed to have “replaced” Subject Services with Ethernet¹-based services, within the meaning of this Section 25.50.4(B)(4), if, but only if, such Ethernet¹-based services have been installed prior to the time of disconnection of the terminated Subject Services at the same Customer location.

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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.4 Terms and Conditions (Cont'd)(B) General Terms and Conditions (Cont'd)

(4) (Cont'd)

The Customer's compliance with the foregoing clauses (a) and (b) shall be determined semi- annually, beginning six (6) months after the Subscription Date, in the manner described below. For those Qualified Cell Sites at which the Customer has purchased Subject Services and subsequently purchases Ethernet¹-based service offered by the Telephone Company, the total MRCs applicable to Subject Services that were disconnected during the previous six (6) months, and were subject to a DS1 Optional Payment Plan (DS1 OPP), as described in Section 7 of this tariff at the time of their disconnection, will be divided by the number of such disconnected Subject Services to determine the average MRC applicable to such Subject Services ("Average Terminated Subject Service MRC"). The total MRCs applicable (to the Ethernet¹-based services purchased at those Qualified Cell Sites, net of applicable credits) will then be divided by the Average Terminated Subject Service MRC. The product of that calculation will be the maximum number of Subject Services the Customer will be allowed to disconnect without termination liability ("Maximum Terminated Subject Services"). The number of replaced Subject Services in excess of the Maximum Terminated Subject Services, if any, shall be the number of "Excess Terminated Subject Services."

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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.4 Terms and Conditions (Cont'd)(B) General Terms and Conditions (Cont'd)

(4) (Cont'd)

If the replacement of Subject Services by Ethernet¹-based services results in no Excess Terminated Subject Services, no termination liability will apply to the replacement of the Subject Services. If the replacement of Subject Services by Ethernet¹-based services results in Excess Terminated Subject Services, the Customer will be liable for termination liability, which will be calculated by multiplying the following: (i) the number of Excess Terminated Subject Services; (ii) the Average Terminated Subject Service MRC; (iii) the average remaining term commitment, as of the time of disconnection, of all Subject Services that were disconnected during the six (6) months being evaluated ("Average Remaining Term"); and (iv) fifty percent (50%). This calculation will be performed every six (6) months of the Term Period.

Formula:

Excess Terminated Subject Services x Average Terminated
Subject Service MRC x Average Remaining Term x 50% =
Termination Liability Charge

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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.4 Terms and Conditions (Cont'd)(B) General Terms and Conditions (Cont'd)

(4) (Cont'd)

Example:

During the first six (6) months of the Term Period, the Customer replaces Subject Services having total MRCs of \$13,500 with Ethernet¹-based services having total MRCs (net of applicable credits) of \$12,000. The Ethernet¹-based services replaced sixty (60) Subject Services. The Average Remaining Term of the terminated Subject Services is fourteen (14) months. The Average Subject Service MRC would be \$255 (total Subject Service MRCs of \$13,500 divided by sixty (60) Subject Services). Maximum Terminated Subject Services equals fifty-three (53) circuits (Ethernet¹-based services' total MRCs, net of applicable credits, of \$12,000 divided by the Average Subject Services MRC of \$255), and Excess Terminated Subject Services equals seven (7) (Sixty (60) terminated Subject Services minus 53 Maximum Terminated Subject Services). The Customer must pay termination liability on the seven (7) Excess Terminated Subject Services. A termination liability charge of \$11,025 (Average Remaining Term of fourteen (14) months, times the Average Subject Service MRC of \$255, times fifty percent (50%)), times seven (7) Excess Terminated Subject Services.

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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Section 2.5.5 of this tariff, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.5.5, 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.

- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.50.6 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.50 Contract Offer No. 50 – DS1 and DS3 Service Offer (Cont'd)25.50.6 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, 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.51 through 25.53 These Contract Offers have been deleted.

25.54 See PART 1

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.55 Contract Offer No. 55 - DS1 Service Offer25.55.1 General Description

This DS1 Service Offer (Contract Offer No. 55) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 25.55.3, and the Terms and Conditions in Section 25.55.4, to disconnect Subject Services, as defined in Section 25.55.2, 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.

25.55.2 Subject Services

- (A) Contract Offer No. 55 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) Sections 7 and 24 DS1 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 Section 24. 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.
- (C) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

25.55.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 55:

- (A) The Customer must be purchasing, as of the Subscription Date, no fewer than one hundred fifty (150) and no more than two hundred ten (210) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.55 Contract Offer No. 55 - DS1 Service Offer25.55.4 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 waivers 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 Section 2.13) of Subject Services provided pursuant to this Contract Offer No. 55 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.55 Contract Offer No. 55 - DS1 Service Offer25.55.4 Terms and Conditions (Cont'd)

- (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 service¹ provided to the Customer by the Telephone Company at the same Qualified Cell Site (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.

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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.55 Contract Offer No. 55 - DS1 Service Offer25.55.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Section 2.5.5, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.5.5, 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.

- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.55.5 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.55 Contract Offer No. 55 - DS1 Service Offer25.55.6 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.

25.56 See PART 1

25.57 This Contract Offer has been deleted.

25.58 See PART 1

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer25.59.1 General Description

This Special Access Service Offer (Contract Offer No. 59) is an access discount pricing plan. This Contract Offer permits Customers who meet the Eligibility Criteria in Section 25.59.3, and the Terms and Conditions in Section 25.59.4, to purchase the Subject Services listed in Section 25.59.2 and to receive rates and charges as provided in Section 25.59.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSAs) listed in Section 25.59.2(B).

This Contract Offer is available for subscription from June 1, 2013 through July 1, 2013. This Contract Offer is not renewable.

25.59.2 Subject Services

- (A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: Sections 7 and 24 – 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 Section 24. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 24, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 59.
- (C) Subject Services must originate or terminate on a wireless carrier's network.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.2 Subject Services (Cont'd)

- (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.
- (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-based¹ 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-based¹ services from the Telephone Company. Cell sites that meet these criteria are referred to in this Contract Offer as “Qualified Cell Sites.”

25.59.3 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 Nevada Bell 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.3 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

<u>MSA</u>	<u>Minimum Number of Cell Sites in MSA</u>	<u>Maximum Number of Cell Sites in MSA</u>
Bridgeport, CT	6	12
Hartford, CT	8	16
New Haven-West Haven- Waterbury-Meriden, CT	11	22
New London-Norwich, CT	12	24

- (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

<u>MSA</u>	<u>Minimum Number of DS1 special access circuits in MSA</u>	<u>Maximum Number of DS1 special access circuits in MSA</u>
Bridgeport, CT	6	64
Hartford, CT	8	116
New Haven-West Haven- Waterbury-Meriden, CT	11	66
New London-Norwich, CT	12	72

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.3 Eligibility Criteria (Cont'd)

- (D) The Customer must be purchasing, as of the Effective Date, Ethernet¹ 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 Nevada Bell 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.

25.59.4 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 rates in Sections 24.5.2.6.1 and 7.16.4, 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 Section 24.5.2.6.1.

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.

² ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.4 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 Sections 2, 5, 7, 13 and 24, 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 Sections 2, 5, 7, 13 or 24, 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.4 Terms and Conditions (Cont'd)(C) 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 an Optional Payment Plan ("OPP"), as described in Section 24, under the longest term commitment available at the time of the Customer's order, or at month-to-month rates if no OPP 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 24, or to any other ordering obligations inconsistent with this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 25.59.5 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 this tariff.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.4 Terms and Conditions (Cont'd)(C) 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.5 Rates and Charges

- (A) The Customer may purchase Subject Services at those Qualified Cell Sites at which Customer has purchased Ethernet-based¹ 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 OPP or month-to-month MRCs. The Customer will then be credited in an amount equal to the difference between the OPP 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 OPP or month-to-month MRCs, but will not be included in the credits applied to the Customer's bill.

Table D

<u>Rate Elements</u>	<u>MRC</u>
Channel Termination	\$108
Fixed Mileage	(Net
Variable Mileage	Bundled Rate)

- (B) For any billing period in which a Subject Service is not so multiplexed and connected as required by Section 25.59.5 (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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.5 Rates and Charges (Cont'd)

- (C) The fixed monthly charge includes average Variable Mileage, per Subject Service, for all Subject Services purchased under this Contract Offer, not to exceed ten (10) miles. The Telephone Company will review the Variable Mileage associated with Subject Services no more frequently than twice during each period of twelve (12) consecutive months of the Term Period, beginning with the Subscription Date. If, upon such review, the Telephone Company determines that Variable Mileage for Subject Services exceeds an average of ten (10) miles per Subject Service, the Telephone Company will bill the Customer for all Variable Mileage in excess of ten (10) miles per Subject Service by applying the charges in Tariff Section 24, as applicable under a sixty (60) month term commitment plan.
- (D) If the Telephone Company is unable to bill for Subject Services at the discounted rate as described in Section 25.59.5.(A), the Telephone Company will bill the Customer on a monthly basis the otherwise applicable tariff rates applicable to the OPP or month-to-month MRCs. Each calendar quarter, beginning with the first full calendar month (including and pro-rated credits from the Effective date to the first full calendar month) after the Effective Date, the Telephone Company will calculate and issue to the Customer a credit equal to the difference between the rates set forth in Section 25.59.5 and the rates initially billed.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.5 Rates and Charges (Cont'd)

- (E) All non-recurring charges (excluding Expedite charges listed below) will be waived for Subject Services added to this Contract Offer. The waiver is not applicable to Special Construction charges, or to the Expedite Charges that may be applicable.

<u>Charge Type</u>	<u>Description</u>	<u>Rate</u>	<u>Rate Regulation</u>
Expedite	DS1 Expedited Service Interval (8 days)	\$425.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (7 days)	\$475.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (6 days)	\$525.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (5 days)	\$575.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (4 days)	\$625.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (3 days)	\$675.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (2 days)	\$1,500.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (1 days)	\$2,000.00	5.4.2(A)
Expedite	DS1 Expedited Service Interval (0 days)	\$2,500.00	5.4.2(A)

- (F) Taxes and Surcharges. Rates and charges set forth in this Contract Offer are exclusive of, and the Customer will pay, all current and future taxes and fees (but excluding taxes or fees imposed on gross receipts of general commercial businesses, net income, corporate franchise, property/ad valorem, payroll/employment, capital stock or net worth tax and the right to do business, i.e., license taxes or fees) relating to the sale, transfer of ownership, installation, license, use or provision of the Subject Services, and other applicable governmentally-established surcharges and similar charges, which the Telephone Company is permitted by applicable law to pass through to the Customer, including, without limitation, Universal Service Fund surcharges (and any associated interest and penalties resulting from the Customer's failure to timely pay such taxes or similar charges), except to the extent the Customer submits and maintains a reasonably acceptable to the Telephone Company exemption certificate covering all of the Subject Services and/or provides satisfactory proof of a valid tax exemption for the Subject Services.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Section 2.5.5, the Telephone Company will acknowledge such transfer or assignment if the criteria in Section 2.5.5, 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.

- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.59.6 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.

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25. Pricing Flexibility Contract Offerings (Cont'd)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.59 Contract Offer No. 59 – Special Access Wireless DS1 Service Offer (Cont'd)25.59.7 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, 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.

25.59.8 De-Tariffing of Subject Services

If, at any time during the Term Period, the Subject Services available under this Contract Offer are voluntarily or involuntarily de-tariffed by the Telephone Company, in whole or in part, pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, the rates, and Terms and Conditions for Subject Services provided under this Contract Offer will remain in full force and effect for the remainder of the unexpired Term Period.

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer(A) Scope

Contract Tariff Offer No. 60 (**Offer 60**) provides Quarterly Billing Adjustments on certain Special Access Services if the customer meets the eligibility requirements. In this Offer 60, all references to amounts represented in dollars followed by the letter "M" shall refer to such number in millions (e.g., \$17.25M shall mean \$17,250,000).

(B) Specific Terms

Unless otherwise defined in this Offer 60, the following terms are used in this Offer 60.

- (1) **BANs** shall mean the Billing Account Numbers of the customer.
- (2) **Baseline Unit Reference Costs** shall mean the unit cost per circuit for the customer's Billed DS1 Units, Billed Multiplexed DS3 Units, and Billed PTP DS3 Units calculated as of July 2012 billing to the customer, net of any credits earned under tariff arrangements or contract tariffs in effect during July 2012. The Baseline Unit Reference Cost is calculated based on the customer's Qualifying Services from FCC 1, FCC 2, FCC 3, FCC 4, FCC 5, FCC 6, and FCC 10. For the avoidance of doubt, any revenue and units acquired after July 2012 were not included in the average revenue calculations. (X)
- (3) **Billed DS1 Unit** shall mean, with respect to each month during the Service Period, a DS1 Unit for which one or more monthly recurring charge was billed using any of the applicable USOCs set forth in (F)2(a) following, to the customer under the Customer ACNAs (as defined in (B)(8) following) in the monthly recurring charge (**MRC**) section of Telephone Company's Access Service bill to the customer for that month. For the avoidance of any doubt, a DS1 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units. Additionally, a DS1 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit. (X)

(X) Issued under authority of Special Permission No. 14-014.

Issued: October 24, 2014

Effective: October 25, 2014

(This page filed under Transmittal No. 54)
Vice President, Regulatory Affairs
3 High Ridge Park, Stamford, CT 06905

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (B) Specific Terms (Cont'd)
- (4) **Billed Multiplexed DS3 Unit** shall mean, with respect to each month during the Service Period, a Multiplexed DS3 Unit for which one or more MRCs, using any of the applicable USOCs set forth in (F)(2)(b) following, was billed to the customer under the Customer ACNAs (as defined in (B)(8) following) in the MRC section of Telephone Company's Access Service bill to the customer for that month. For the avoidance of any doubt, a Multiplexed DS3 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units. Additionally, a Multiplexed DS3 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit.
- (5) **Billed PTP DS3 Unit** shall mean, with respect to each month during the Service Period, a point-to-point (**PTP**) DS3 Unit for which one or more MRCs, using any of the applicable USOCs set forth in (F)(2)(c) following, was billed to the customer under the Customer ACNAs (as defined in (B)(8) following) in the MRC section of Telephone Company's Access Service bill to the customer for that month. For the avoidance of any doubt, a PTP DS3 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units. Additionally, a PTP DS3 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit.
- (6) **Billed Qualifying Service Revenue** shall mean each of Billed DS1 Qualifying Service Revenue, Billed Multiplexed DS3 Qualifying Service Revenue, and Billed PTP DS3 Qualifying Service Revenue as further described in (F) following, subject to the exclusions specified in (F)(2)(d) and (F)(3) following.
- (7) **Billed Qualifying Service Unit(s)** shall mean Billed DS1 Units, Billed Multiplexed DS3 Units, and/or Billed PTP DS3 Units, subject to the exclusions set forth in (F)(2)(d) and (F)(3) following. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(B) Specific Terms (Cont'd)

- (8) **Customer ACNA(s)** shall mean the customer's Access Customer Name Abbreviations (ACNAs) that are provided to the Telephone Company by the customer in its subscription to this Offer 60 in accordance with (C)(3) following, which Customer ACNA(s) are agreed to by the Telephone Company in writing for inclusion in this Offer 60.
- (9) **DS1 Unit** shall mean an individual Qualifying Service circuit of DS1 capacity (i.e., 1.544 Mbps) that that both: (i) has a unique facilities formatted circuit identifier in accordance with the Common Language Circuit Identifier (CLCI) format administered by Telcordia, and (ii) is billed using any of the applicable USOCs set forth in F(2)(a) below.
- For the avoidance of any doubt, a DS1 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units . Additionally, a DS1 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit. For the avoidance of any doubt, sub-rate DS1s (e.g., 128 kbps, 256 kbps, 384 kbps, 512 kbps, and 768 kbps) are not counted as DS1 Units.
- (10) **Flat Rate** shall mean the flat rate monthly recurring charge that applies per Billed Qualifying Service Unit, per service type (i.e., DS1, Multiplexed DS3, and PTP DS3), for a given Plan Year as calculated in accordance with (H)(1) following.
- (11) **Flat Rate Spend** shall mean the billed units for a given period multiplied by the Baseline Unit Reference Costs, by service type:

Flat Rate DS1 Spend = DS1 Billed Units * DS1 Flat Rate

Flat Rate Multiplexed DS3 Spend = Multiplexed DS3 Units *
Multiplexed DS3 Flat Rate

Flat Rate PTP DS3 Spend = PTP DS3 Units * PTP DS3 Flat Rate

Total Flat Rate Spend = Flat Rate DS1 Spend
+ Flat Rate Multiplexed DS3 Spend + Flat Rate PTP DS3 Spend

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(B) Specific Terms (Cont'd)

- (12) **Groom(s)** shall mean a change in the connecting facility assignment (CFA) or termination point of a DS3 Service, and shall include any of the following types of moves, rearrangements, re-terminations, and disconnection and subsequent reconnection, to the DS3 Service: (i) a change in the CFA or termination point within a single Telephone Company wire center; (ii) a change in the CFA or termination point from one Telephone Company wire center to CFA in another Telephone Company wire center (CFA can be a facility provided by the Telephone Company or by a collocator.)

- (13) **Multiplexed DS3 Unit** shall mean an individual Qualifying Service circuit of DS3 capacity (i.e., 44.736 Mbps) that both: (i) has a unique circuit identifier that conforms to the Common Language Circuit Identifier (CLCI) facility format administered by Telcordia and (ii) is billed using one or more of the USOCs specified in (F)(2)(b) following.

For purposes of administering the terms and conditions of this Offer 60, all calculations involving Multiplexed DS3 Unit volumes shall exclude any portion of a circuit that is not used for Special Access. Where this calculation results in a fraction of a Multiplexed DS3 Unit, round to the nearest whole Multiplexed DS3 Unit. Thus, for example, if there were two (2) Shared Use Multiplexed DS3, and where one of the facilities is reduced by forty-five percent (45%) and the other facility is reduced by sixty-five percent (65%) in accordance with Section 5.2.8 preceding, then together they would count as only one (1) Multiplexed DS3 Unit (.45 + .65 = 1.10, rounded to the nearest integer, which in this case is one (1) Multiplexed DS3 Unit).

For the avoidance of any doubt, a Multiplexed DS3 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units. Additionally, a PTP DS3 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(B) Specific Terms (Cont'd)

(14) **Plan Year** shall mean each of the following periods during the Service Period: Plan Year 2 shall commence on the date on which the customer subscribes to this Offer 60 and end December 31, 2014; and Plan Year 3 shall commence on January 1, 2015 and end on December 31, 2015. In the event of any extension(s) of the Service Period pursuant to Section (E) following, "Plan Year" may also be used to refer to an applicable calendar year (i.e., January 1 through December 31) subsequent to Plan Year 3. For the avoidance of any doubt, there is no Plan Year 1 under this Offer 60.

(15) **PTP DS3 Unit** shall mean an individual Qualifying Service circuit of DS3 capacity (i.e., 44.736 Mbps) that both: (i) has a unique circuit identifier that conforms to the CLCI serial number format administered by Telcordia and (ii) is billed using one or more of the USOCs specified in (F)(2)(c) following.

For the avoidance of any doubt, a PTP DS3 circuit that is provided in a meet point arrangement by two or more Telephone Company entities under a single unique circuit identifier will count as two units. Additionally, a PTP DS3 circuit that is provided in a meet point arrangement by two or more billing entities under a single unique circuit identifier, where only one of the billing entities is affiliated with the Telephone Company, will count as one unit.

(16) **Quarter** shall mean either of the following periods, as applicable: (i) the first Quarter of each Plan Year is the period beginning with the first date of the applicable Plan Year and ending on the last day of the second calendar month after the month in which the first date occurs (i.e., approximately ninety (90) calendar days thereafter), except for the initial Quarter of Plan Year 2, which shall commence on the date on which the customer subscribes to this Offer 60, and shall end on December 31, 2014; or (ii) each consecutive three (3) month period thereafter commencing on the first day of the calendar month following the end of the prior Quarter and ending on the last day of the second calendar month after the month in which the first day appears.

(N)

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25.	<u>Pricing Flexibility Contract Offerings</u> (Cont'd)	(N)
	<u>PART 2 – Offers Administered Solely by Frontier</u> (Cont'd)	
25.60	<u>Contract Offer No. 60 - DS1/DS3 Service Offer</u> (Cont'd)	
	(B) <u>Specific Terms</u> (Cont'd)	
	(17) Quarterly Flat Rate Billing Adjustment shall mean the quarterly credit or debit that is calculated per service type (i.e., DS1, Multiplexed DS3, and PTP DS3) as described in (H) following.	
	(C) <u>Eligibility</u>	
	The customer must meet all of the following criteria in order to be eligible to receive the Quarterly Billing Credits as set forth in (I) following and other benefits of this Offer 60.	
	(1) During the twelve (12) month period ending on December 31, 2013, Customer must have achieved a minimum of \$250M in aggregate monthly billed recurring charges for all Qualifying Services purchased by Customer from affiliates of the Telephone Company.	
	(2) During the twelve (12) month period ending on June 30, 2014, the customer must have been subscribed to Option 2 of FCC 2, Option 63 of FCC 4, and Option 32 of FCC 5.	(X) (X)
	(3) The customer must subscribe to Offer 60 by submitting a written authorization in a manner designated by the Telephone Company during the period that begins October 25, 2014 and ends November 24, 2014. Such subscription must include a list of Customer ACNA(s) as defined in (B)(8) preceding.	
	(4) As of October 25, 2014, the customer must be concurrently subscribed, and must remain concurrently subscribed during the Service Period, to Option 2 of FCC 2, Option 63 of FCC 4, and Option 32 of FCC 5.	(X) (X)
(X)	Issued under authority of Special Permission No. 14-014.	(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (D) Terms and Conditions
- (1) If the customer is currently subscribed to a contract tariff option that provides a discount, credit, or other reduction in rates or terms based on achievement of revenue or volume targets/levels by the customer, the customer's subscription to such contract tariff option shall be cancelled coincident with the customer's subscription to this Offer 60, and the Telephone Company will conduct a final true-up of any billing credits the customer was entitled to through the date of cancellation.
- (2) If the customer concurrently subscribes any of the Qualifying Services to any other tariff arrangement, contract tariff option, specialized service arrangement, or Individual Case Basis (**ICB**) arrangement offered by the Telephone Company under this tariff and available to the customer either currently or at any time during the Service Period, that tariff arrangement, contract tariff option, specialized service arrangement, or Individual Case Basis (**ICB**) arrangement shall not have the effect of reducing the prices below the flat rates established under this Offer 60. For the avoidance of any doubt, the implementation of this paragraph means Flat Rate Pricing and Quarterly Billing Adjustment set forth in (H) following could result in a debit with respect to some circuits.
- (3) To the extent the customer, as of October 25, 2014 or at any time during the Service Period, is not subscribed Option 2 of FCC 2, Option 63 of FCC 4, and Option 32 of FCC 5, the applicable Qualifying Services shall not be eligible to receive the Flat Rate pricing set forth in (H) following. (X)
- (X) Issued under authority of Special Permission No. 14-014. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(E) Service Period

- (1) Subject to terms and conditions set forth in (E)(2) following and all other applicable terms set forth herein, the **Service Period** of this Offer 60 shall commence on the date the customer subscribes to this Offer 60 and end on December 31, 2015 (except that the Service Period shall include any extensions that take effect pursuant to (E)(2) following).
- (2) At the expiration of Plan Year 3 of the Service Period, and unless otherwise terminated as set forth herein, the customer may elect to extend the Service Period for two (2) one (1) year terms beyond expiration of Plan Year 3 of the Service Period at the Flat Rates in effect for Plan Year 3. The customer must notify the Telephone Company in writing of its election to extend the Service Period at least thirty (30) calendar days prior to the expiration date of Plan Year 3 or the end of first one (1) year extension period, as applicable.
- (3) Beyond the two (2) one-year extensions above, the Parties might, but shall have no obligation to, mutually agree to up to two (2) additional extensions of one (1) year each. If Customer wishes to request Telephone Company's consent to such an extension(s), Customer must notify Telephone Company in writing of such request at least sixty (60) calendar days prior to the date on which the Agreement and Contract Tariffs will expire.

(F) Qualifying Services

- (1) Qualifying Services will be comprised of the following:
 - (a) Special Access 1.544 Mbps Services as set forth in Sections 7.6 and 24.5.2 preceding of this tariff, as the same may be amended from time to time (**DS1 Services**); and
 - (b) Special Access 44.736 Mbps Services as set forth in Section 7.16 and 24.5.2 preceding of this tariff, as the same may be amended from time to time (**DS3 Services**).

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (F) Qualifying Services (Cont'd)
- (1) Qualifying Services will be comprised of the following: (Cont'd)
- (c) For the avoidance of any doubt, Qualifying Services provided by affiliates of the Telephone Company shall be as defined in Option 2 of FCC 2, Option 63 of FCC 4, or Option 32 of FCC 5, as appropriate to the affiliate. (X)
(X)
- Any services other than the services explicitly listed in this (F)(1) are not included herein as a Qualifying Service. Additionally, Qualifying Services do not include any Switched Access Services.
- For purposes of this Offer 60: (i) all Qualifying Service volumes and revenues are quantified according to three categories (DS1 Units, Multiplexed DS3 Units, and PTP DS3 Units) as described further in (F)(2) following; and (ii) subject to (F)(2)(d) and (F)(4) following, the USOCs set forth in (F)(2) following reflect the entire list of USOCs included in the definition of Qualifying Services and counted as contributory toward Billed Qualifying Service Revenue.
- (2) Revenues Included in Calculation of Billed Qualifying Service Revenue
- Subject to the exceptions and requirements set forth in this Section (F), Billed Qualifying Service Revenue includes monthly recurring charges billed to the customer under the Customer ACNAs for Billed Qualifying Service Units in the operating territory of this tariff. **Billed DS1 Qualifying Service Revenue** is described in (F)(2)(a) following, subject to (F)(2)(d) and (F)(3) following. **Billed Multiplexed DS3 Qualifying Service Revenue** is described in (F)(2)(b) following, subject to (F)(2)(d) and (F)(3) following. **Billed PTP DS3 Qualifying Service Revenue** is described in (F)(2)(c) following, subject to (F)(2)(d) and (F)(3) following.
- (X) Issued under authority of Special Permission No. 14-014. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(2) Revenues Included in Calculation of Billed Qualifying Service Revenue (Cont'd)(a) Billed DS1 Units

With respect to Billed DS1 Units, Billed Qualifying Service Revenue includes only MRCs billed under rate elements using one or more of the following USOCs:

1A4YS	1A5ZS	1CF21	1CF22	1CF23	1CF25	1CF33
1CF35	1CF3W	1CF41	1CF42	1CF43	1CF45	1CF51
1CF52	1CF53	1CF55	1CF61	1CF62	1CF63	1CF65
1CF71	1CF72	1CF73	1CF75	1CF81	1CF82	1CF83
1CF85	1CF91	1CF92	1CF93	1CF95	1CFA1	1CFA2
1CFA3	1CFA5	1CFB1	1CFB2	1CFB3	1CFB5	1CFC1
1CFC2	1CFC3	1CFC5	1CFR8	1CFRJ	1CFS8	1CFSJ
1CFT8	1CFTJ	1CFU8	1CFUJ	1CFV8	1CFVJ	1CKDF
1CKDX	1J53S	1J54S	1L5LS	1L5XX	1LFMX	1LFSX
1OX1X	1OX2X	1OX3X	1OX5X	1OXTX	1T58S	1X7VX
1XCDX	1Y3AC	1YWPS	7CT15	7CTDC	7FT01	7FT60
7OFFV	7TD60	A1VA1	C2X9A	C6H6X	C6H7X	CCO
CTG	DVA	EU4DF	EU4DX	EU7VX	EUEU7VX	EUEUW
EUU21	EUU22	EUU23	EUU25	EUU33	EUU35	EUU3W
EUU41	EUU42	EUU43	EUU45	EUU51	EUU52	EUU53
EUU55	EUU61	EUU62	EUU63	EUU65	EUU71	EUU72
EUU73	EUU75	EUU81	EUU82	EUU83	EUU85	EUU91
EUU92	EUU93	EUU95	EUUA1	EUUA2	EUUA3	EUUA5
EUUB1	EUUB2	EUUB3	EUUB5	EUUC1	EUUC2	EUUC3
EUUC5	EUUR8	EUURJ	EUUS8	EUUSJ	EUUT8	EUUTJ
EUUU8	EUUUJ	EUUV8	EUUVJ	EUW	HCCMF	HCCMT
HCCT4	HCCTA	HCCTV	HCHCCMT	HCHCCT4	HCHCMLT	HCM10
HCM1V	HCMF5	HCMLT	HGV1X	HGVTX	MQ1	MQ6
MQK	MXN12	MXN13	MXN15	MXN17	MXNF3	MXNF5
MXNFX	PR9PX	PR9SX	QMU	TJ4DX	TJ4DY	TJ4DZ
TMECS	TMTMECSTNJZX	TNT3X	TNT4X	TNT8X	TNTNT3X	TNTNT4X
TNTNT4X	TNTNT8X	TQ2KM	TRG	TSP	TWTF6	TYF1X
TZGHX	VPQSP					

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(2) Revenues Included in Calculation of Billed Qualifying Service Revenue (Cont'd)(b) Billed Multiplexed DS3 Units

With respect to Billed Multiplexed DS3 Units, Billed Qualifying Service Revenue includes only MRCs billed under rate elements using one or more of the following USOCs:

1A4ZS	1A59S	1A5LX	1A5YS	1A87S	1A88S	1A89S
1C4A3	1C4A5	1C4A7	1C4B3	1C4B5	1C4B7	1C4C3
1C4C5	1C4C7	1C4D3	1C4D5	1C4D7	1C4E3	1C4E5
1C4E7	1C4F3	1C4F5	1C4F7	1C4G3	1C4G5	1C4G7
1C4H3	1C4H5	1C4H7	1C4J3	1C4J5	1C4J7	1C4K3
1C4K5	1C4K7	1CFD1	1CFD3	1CFD5	1CFD7	1CFE1
1CFE3	1CFE5	1CFE7	1CFF1	1CFF3	1CFF5	1CFF7
1CFG1	1CFG3	1CFG5	1CFG7	1CFH1	1CFH3	1CFH5
1CFH7	1CFJ1	1CFJ3	1CFJ5	1CFJ7	1CFK1	1CFK3
1CFK5	1CFK7	1CFL1	1CFL3	1CFL5	1CFL7	1CFM1
1CFM3	1CFM5	1CFM7	1CFN1	1CFN3	1CFN5	1CFN7
1CKMF	1CKNX	1CKPF	1CKSX	1L5H3	1L5LS	1L5RS
1L5XX	1LFSX	1U5PS	1Y3AD	1YA8S	1YAMS	1YWQS
7CT45	7D3D1	7OF01	7OF18	7OF36	7OF60	7OT18
7OT36	7OT60	A1VXG	ABVBA	B2CDP	B2CDV	B2CEP
B2CEV	B2CFP	C2X8A	CCO	DVA	EQUA3	EQUA5
EQUA7	EQUB3	EQUB5	EQUB7	EQUC3	EQUC5	EQUC7
EQUD3	EQUD5	EQUD7	EQUE3	EQUE5	EQUE7	EQUF3
EQUF5	EQUF7	EQUG3	EQUG5	EQUG7	EQUH3	EQUH5
EQUH7	EUJ3	EUJ5	EUJ7	EQUK3	EQUK5	EQUK7
EU4MF	EU4NX	EU4PF	EU4SX	EUUD1	EUUD3	EUUD5
EUUD7	EUUE1	EUUE3	EUUE5	EUUE7	EUUF1	EUUF3
EUUF5	EUUF7	EUUG1	EUUG3	EUUG5	EUUG7	EUUH1
EUUH3	EUUH5	EUUH7	EUUJ1	EUUJ3	EUUJ5	EUUJ7
EUUK1	EUUK3	EUUK5	EUUK7	EUUL1	EUUL3	EUUL5
EUUL7	EUUM1	EUUM3	EUUM5	EUUM7	EUUN1	EUUN3
EUUN5	EUUN7	FQYU1	FQYU2	FQYU3	FQYU4	FQYU5
FQYU6	GMGX3	HCM31	HF12A	HF12F	HF3EA	HF3OA
HF3OF	HFCMF					

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(2) Revenues Included in Calculation of Billed Qualifying Service Revenue (Cont'd)(b) Billed Multiplexed DS3 Units (Cont'd)

HFCMT	HFCT1	HFCT4	HFCTA	HFCTV	HFHFCMT	HFHFCT4
HFMF1	HFMF3	HFMF5	HFOT4	HFOTA	HFUEA	HFUEF
HFUOA	HFUOF	HKTJS	HKTJX	HKTLS	MKM	MKW3X
MQ3	MXNM3	MXNM5	MXNMX	MXNRX	N2M	NDPCM
NDPDM	P8T13	P8T15	P8T33	P8T35	PR9SX	SLHA1
SLHA3	SLHA5	SLHA7	SLHB1	SLHB3	SLHB5	SLHB7
SLHC1	SLHC3	SLHC5	SLHC7	SLHD1	SLHD3	SLHD5
SLHD7	SLHE1	SLHE3	SLHE5	SLHE7	T7TAX	T8XJ3
T8XJ5	TJ4EX	TJ4EY	TJ4EZ	TJ59X	TKTPX	TNW3X
TNW5X	TNWZX	TQ2LM	TRG	TSP	TUTFX	TUTPX
TUTUTPX	TWBNX	TWBPX	TWTF7	TYF3S	TYF3X	TYF8S
TYF8X	TYFLS	TYFLX	TYFMS	TYFMX	TYFNX	TYFOX
TYFPX	TYFQX	TYFRX	TYFSX	TYFTX	TYFUX	TYFVS
TYFVX	TYFWS	TYFWX	TYTYF8X	TYTYFLS		

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(2) Revenues Included in Calculation of Billed Qualifying Service Revenue (Cont'd)(c) Billed PTP DS3 Units

With respect to Billed PTP DS3 Units, Billed Qualifying Service Revenue includes only MRCs billed under rate elements using one or more of the following USOCs:

1A4ZS	1A59S	1A5LX	1A5YS	1A87S	1A88S	1A89S
1C4A3	1C4A5	1C4A7	1C4B3	1C4B5	1C4B7	1C4C3
1C4C5	1C4C7	1C4D3	1C4D5	1C4D7	1C4E3	1C4E5
1C4E7	1C4F3	1C4F5	1C4F7	1C4G3	1C4G5	1C4G7
1C4H3	1C4H5	1C4H7	1C4J3	1C4J5	1C4J7	1C4K3
1C4K5	1C4K7	1CFD1	1CFD3	1CFD5	1CFD7	1CFE1
1CFE3	1CFE5	1CFE7	1CFF1	1CFF3	1CFF5	1CFF7
1CFG1	1CFG3	1CFG5	1CFG7	1CFH1	1CFH3	1CFH5
1CFH7	1CFJ1	1CFJ3	1CFJ5	1CFJ7	1CFK1	1CFK3
1CFK5	1CFK7	1CFL1	1CFL3	1CFL5	1CFL7	1CFM1
1CFM3	1CFM5	1CFM7	1CFN1	1CFN3	1CFN5	1CFN7
1CKMF	1CKNX	1CKPF	1CKSX	1L5H3	1L5LS	1L5RS
1L5XX	1LFSX	1U5PS	1Y3AD	1YA8S	1YAMS	1YWQS
7CT45	7OF01	7OF18	7OF36	7OF60	7OT18	7OT36
7OT60	A1VXG	ABVBA	B2CDP	B2CDV	B2CEP	B2CEV
B2CFP	C2X8A	CCO	DVA	EQUA3	EQUA5	EQUA7
EQUB3	EQUB5	EQUB7	EQUC3	EQUC5	EQUC7	EQUD3
EQUD5	EQUD7	EQUE3	EQUE5	EQUE7	EQUF3	EQUF5
EQUF7	EUG3	EUG5	EUG7	EQUH3	EQUH5	EQUH7
EUJ3	EUJ5	EUJ7	EUK3	EUK5	EUK7	EU4MF
EU4NX	EU4PF	EU4SX	EUUD1	EUUD3	EUUD5	EUUD7
EUUE1	EUUE3	EUUE5	EUUE7	EUUF1	EUUF3	EUUF5
EUUF7	EUUG1	EUUG3	EUUG5	EUUG7	EUUH1	EUUH3
EUUH5	EUUH7	EUUJ1	EUUJ3	EUUJ5	EUUJ7	EUUK1
EUUK3	EUUK5	EUUK7	EUUL1	EUUL3	EUUL5	EUUL7
EUUM1	EUUM3	EUUM5	EUUM7	EUUN1	EUUN3	EUUN5
EUUN7	FQYU1	FQYU2	FQYU3	FQYU4	FQYU5	FQYU6
GMGX3	HF12A	HF12F				

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(2) Revenues Included in Calculation of Billed Qualifying Service Revenue (Cont'd)(c) Billed PTP DS3 Units (Cont'd)

HF3EA	HF3OA	HF3OF	HFCMF	HFCMT	HFCT1	HFCT4
HFCTA	HFCTV	HFHFCMT	HFHFCT4	HFMF1	HFMF3	HFMF5
HFOT4	HFOTA	HFUEA	HFUEF	HFUOA	HFUOF	HKTJS
HKTJX	HKTLS	MXNM5	N2M	NDPCM	NDPDM	P8T13
P8T15	P8T33	P8T35	PR9SX	SLHA1	SLHA3	SLHA5
SLHA7	SLHB1	SLHB3	SLHB5	SLHB7	SLHC1	SLHC3
SLHC5	SLHC7	SLHD1	SLHD3	SLHD5	SLHD7	SLHE1
SLHE3	SLHE5	SLHE7	T7TAX	T8XJ3	T8XJ5	TJ4EX
TJ4EY	TJ4EZ	TJ59X	TKTPX	TNW3X	TNW5X	TNWZX
TQ2LM	TRG	TSP	TUTFX	TUTPX	TUTUTPX	TWBNX
TWBPX	TWTF7	TYF3S	TYF3X	TYF8S	TYF8X	TYFLS
TYFLX	TYFMS	TYFMX	TYFNX	TYFOX	TYFPX	TYFQX
TYFRX	TYFSX	TYFTX	TYFUX	TYFVS	TYFVX	TYFWS
TYFWX	TYTYF8X	TYTYFLS				

(d) If any of the USOCs listed in (F)(2)(a) through (F)(2)(c) preceding bill both MRCs and other charges (e.g., NRCs), then only the MRC amounts (i.e., only those amounts appearing in the MRC section of the customer's bill from the Telephone Company) of such USOCs shall be counted towards the calculation of Billed Qualifying Service Revenue.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (F) Qualifying Services (Cont'd)
- (3) Examples of Revenues Not Included in Calculation of Billed Qualifying Service Revenue
- Billed Qualifying Service Revenue does not include (the following list being illustrative only) any of the following:
- (a) any non-recurring charges (**NRCs**), surcharges, taxes, late payment charges, credits (including any credits provided herein), fractional debit/credit amounts, adjustments, minimum period charges, termination liabilities, or any other billings other than billed amounts that are applied on a recurring monthly basis for the applicable Quarter or Plan Year of the Service Period;
 - (b) taxes, or other charges imposed by a federal, state, local, or other governmental entity (e.g., Federal Universal Service Fund);
 - (c) service or administrative fees or charges imposed by the Telephone Company (e.g. interest penalty, late payment penalty);
 - (d) any amount that appears in the Other Charges and Credits section of the Telephone Company's bill to the customer (e.g., prorated charges);
 - (e) any other charges that are not applied on a monthly recurring basis and/or do not appear in the MRC section (typically labeled "Monthly Access Charges") of the Telephone Company's bill to the customer;
 - (f) any amount for which payment is being withheld by the customer or for which the Telephone Company has issued a credit in response to a customer dispute;
 - (g) any amount billed under a particular bill for services provided outside of the service period that is ordinarily covered by such bill;
 - (h) billed amounts associated with any service (or any portion of a service) that is not a Qualifying Service;
 - (i) any Quarterly Billing Credits or other Credits that the customer receives in connection with (H) following.
- (N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(F) Qualifying Services (Cont'd)(4) USOC Updates

If, during the Service Period, the Telephone Company revises Section 7 preceding of this tariff a USOC for a rate element of a Qualifying Service as set forth in (F)(2) preceding; or (ii) adds a USOC for a rate element of a Qualifying Service as used herein that was inadvertently omitted from this tariff, then (effective as of the date on which such revision becomes effective) such new USOC shall be included in the definition of the applicable Qualifying Service(s) and such new USOC, provided it otherwise qualifies to be contributory under (F)(2) and (F)(3) preceding and all other terms set forth herein, will be counted as contributory towards Billed Qualifying Service Revenue.

(G) Serving Area

Notwithstanding any other provision set forth herein, any Quarterly Billing Adjustments or other credits will be provided only in the MSAs that have achieved Phase I or Phase II pricing flexibility under Section 24.1 preceding. Any additions of, or changes to, the MSAs (including changes to wire centers or Full Service/Limited Service pricing status) as described in Section 24.1 preceding that occur during the Service Period will apply.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (H) Calculation and Payment of Quarterly Billing Adjustments
- The customer will receive a Final Quarterly Billing Adjustment based on a Flat Rate Billing Adjustment.
- (1) Rate Calculation Methodology for Flat Rate Pricing
- The Flat Rate pricing for Qualifying Services under this Offer 60 shall be achieved by applying a discount to the average revenue per Billed DS1 Unit, per Billed Multiplexed DS3 Unit, and per Billed PTP DS3 Unit using the calculation [average revenue per Billed Qualifying Service Unit x (1 – discount)] as follows:
- (a) DS1 Flat Rate Pricing
- (Step 1) Calculate the average revenue per DS1 Unit (**DS1 ARPU**) by summing (i) the total MRC associated with the customer's Qualifying DS1 Services for which the customer was billed by the Telephone Company from FCC 1, FCC 2, FCC 3, FCC 4, FCC 5, FCC 6, and FCC 10 for the month of July 2012 and dividing by (ii) the total number of the DS1 Units for such DS1 Qualifying Services during the same period of time. (X)
- The DS1 ARPU calculated in this Step 1 is used to determine the Flat Rate per DS1 Unit for each Plan Year of the Service Period. (X)
- (Step 2) To determine the Flat Rate per Billed DS1 Unit, multiply (i) the DS1 ARPU determined in Step 1; by (ii) 1 minus the discount for the applicable Plan Year from Table 1 below.
- Table 1
- | <u>Plan Year</u> | <u>Discount</u> |
|------------------|-----------------|
| 2 | 24.22% |
| 3 | 24.22% |
- (X) Issued under authority of Special Permission No. 14-014. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (H) Calculation and Payment of Quarterly Billing Adjustments (Cont'd)
- (1) Rate Calculation Methodology for Flat Rate Pricing (Cont'd)
- (b) Multiplexed DS3 Flat Rate Pricing
- (Step 1) Calculate the average revenue per Multiplexed DS3 Unit (**Multiplexed DS3 ARPU**) by summing (i) the total MRC associated with the customer's Qualifying Multiplexed DS3 Services for which the customer was billed by the Telephone Company from FCC 1, FCC 2, FCC 3, FCC 4, FCC 5, FCC 6, and FCC 10 for the month of July 2012 and dividing by (ii) the total number of the Multiplexed DS3 Units for such Multiplexed DS3 Qualifying Services during the same period of time. (X)
(X)
- The Multiplexed DS3 ARPU calculated in this Step 1 is used to determine the Flat Rate per Multiplexed DS3 Unit for each Plan Year of the Service Period.
- (Step 2) To determine the Flat Rate per Billed Multiplexed DS3 Unit, multiply (i) the Multiplexed DS3 ARPU calculated in Step 9; by (ii) one (1) minus the discount for the applicable Plan Year from Table 2 below [Multiplexed DS3 ARPU x (1 – discount)].
- Table 2
- | <u>Plan Year</u> | <u>Discount</u> |
|------------------|-----------------|
| 2 | 25.80% |
| 3 | 25.80% |
- (X) Issued under authority of Special Permission No. 14-014. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (H) Calculation and Payment of Quarterly Billing Adjustments (Cont'd)
- (1) Rate Calculation Methodology for Flat Rate Pricing (Cont'd)
- (c) PTP DS3 Flat Rate Pricing
- (Step 1) Calculate the average revenue per PTP DS3 Unit (**PTP DS3 ARPU**) by summing (i) the total MRC associated with the customer's Qualifying PTP DS3 Services for which the customer was billed by the Telephone Company from FCC 1, FCC 2, FCC 4, FCC 5, FCC 6, and FCC 10 for the month of July 2012 and dividing by (ii) the total number of the PTP DS3 Units for such PTP DS3 Qualifying Services during the same period of time. (X)
- The PTP DS3 ARPU calculated in this Step 1 is used to determine the Flat Rate per PTP DS3 Unit for each Plan Year of the Service Period.
- (Step 2) To determine the Flat Rate per Billed PTP DS3 Unit, multiply (i) the PTP DS3 ARPU calculated in Step 9; by (ii) one (1) minus the discount for the applicable Plan Year from Table 2 below [PTP DS3 ARPU x (1 – discount)].
- Table 3
- | <u>Plan Year</u> | <u>Discount</u> |
|------------------|-----------------|
| 2 | 23.37% |
| 3 | 23.37% |
- (X) Issued under authority of Special Permission No. 14-014. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(H) Calculation and Payment of Quarterly Billing Adjustments (Cont'd)(2) Calculation of the Flat Rate Billing Adjustment

To calculate the Quarterly Flat Rate Billing Adjustment:

- Step 1 Determine the total number of Billed DS1 Units, Billed Multiplexed DS3 Units, and Billed PTP DS3 Units for the Quarter in accordance with (H)(1) preceding.
- Step 2 Determine the Billed Qualifying Service Revenue for the Quarter for each Qualifying Service type (i.e., based on Billed DS1 Units, Billed Multiplexed DS3 Units, and Billed PTP DS3 Units) in accordance with (H)(1) preceding.
- Step 3 Calculate the Flat Rate for the Quarter for each Qualifying Service type (DS1, Multiplexed DS3, and PTP DS3) in accordance with (H)(1) preceding.
- Step 4 Calculate the Flat Rate Spend for each Qualifying Service type (DS1, Multiplexed DS3, and PTP DS3) by multiplying the Flat Rate determined in Step 3 by the Billed Units determined in Step 1.
- Step 5 Calculate the Quarterly Flat Rate Billing Adjustment for each Qualifying Service type (DS1, Multiplexed DS3, and PTP DS3) by and subtracting the Flat Rate Spend determined in Step 4 from the total of the applicable Billed Qualifying Service Revenue determined in Step 2. This Quarterly Flat Rate Billing Adjustment will be a credit if the Billed Qualifying Service Revenue is higher than the Flat Rate Spend or a debit if the Billed Qualifying Service Revenue is lower than the Flat Rate Spend.

To the extent that the customer fails to pay any amounts due to Telephone Company for Qualifying Services under this Offer 60, excluding bill disputes, Telephone Company may offset such amounts against any Quarterly Billing Adjustments owed to Customer by Telephone Company under this Offer 60.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(H) Calculation and Payment of Quarterly Billing Adjustments (Cont'd)(3) Final Quarterly Billing Adjustment

The Telephone Company will compute the Quarterly Flat Rate Billing Adjustment determined in (H)(2) preceding. If the net result is a credit, the Telephone Company will provide a credit on its invoice to the customer within 120 calendar days after the end of the applicable Quarter, and if the net result is a debit, the Telephone Company will bill the net debit to the customer within 120 days after the end of the applicable Quarter.

(I) Limitation on Grooms

There shall be no limits on number of Grooms for Qualifying Services.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(J) Mergers, Acquisitions, Divestitures, and Other Changes in Control of Customer(1) Sale or Other Transfer of Ownership From the Customer to an Unaffiliated Third Party

If the customer sells to an unaffiliated third party, or otherwise transfers to an unaffiliated third party its ownership of (collectively, a **Third Party Sale**), one or more Customer ACNA(s), or a line of business, division, affiliate, or license to operate in a particular geographic area (e.g., a Commercial Mobile Radio Service (CMRS) license) (collectively, **Sold Properties**), then the terms and conditions set forth in this Section (J) shall apply to account for the effect of such Third Party Sale on this Offer 60:

(a) No later than sixty (60) calendar days prior to closure of the Third Party Sale, the customer shall notify the Telephone Company of such Third Party Sale via a written notice that includes the following information:

- (1) the date on which the Third Party Sale is expected to close; and
- (2) the affected Customer ACNA(s); and
- (3) the affected state(s) or other relevant geographic area(s); and
- (4) Information sufficient to begin the identification process of the volumes and circuit identifiers of all DS1 Units, Multiplexed DS3 Units, and PTP DS3 Units associated with the Sold Properties that the customer will no longer obtain from the Telephone Company as a result of the Third Party Sale (**Sold Qualifying Units**). After sending this notification, the customer will work cooperatively with the Telephone Company (and the third-party carrier, if necessary) to complete the exchange of this information.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (J) Mergers, Acquisitions, Divestitures, and Other Changes in Control of Customer (Cont'd)
- (1) Sale or Other Transfer of Ownership From the Customer to an Unaffiliated Third Party (Cont'd)
- (b) If the customer provides notice as described in (J)(1)(a) preceding, then effective upon closure of the Third Party Sale if such closure occurs on the first day of a calendar month (or effective upon the first day of the calendar month following closure of the Third Party Sale if such closure occurs on a day other than the first day of a calendar month): (i) all Sold Qualifying Units shall not be counted as Billed Qualifying Service Units, shall not be eligible for the Quarterly Billing Adjustments, and shall cease to be covered by this Offer 60 for all other purposes.
- (2) Mergers and Acquisitions of the Customer
- (a) In the event the customer merges with another company or acquires a company or a portion of the business of another company (including any ACNA(s) that are not Customer ACNAs) (the company with which the customer merges and the company or portion of the business thereof that the customer acquires (including an ACNA(s) that is not a Customer ACNA(s)) may be referred to collectively as the **Customer Acquired Properties** and such merger or acquisition may be referred to in either case as an **Acquisition**), and the Telephone Company provides any Qualifying Services in connection with such Customer Acquired Properties, then the customer shall notify the Telephone Company prior to the closing of the Acquisition and the Parties shall determine whether the Customer Acquired Properties shall be included in or excluded from the terms and conditions (including the calculation of Quarterly Billing Adjustment) of this Offer 60. No Customer Acquired Properties shall be included in this contract tariff absent the mutual agreement of the Parties.
- (b) The Parties shall work cooperatively and in good faith with each other to take such action as may be necessary to achieve the intent of this Section (J), and neither Party shall unreasonably withhold from the other Party any data that is necessary or reasonably required to achieve such intent. (N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

PART 2 – Offers Administered Solely by Frontier (Cont'd)25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)(K) Sale or Acquisition of Properties by the Telephone Company(1) Sale of an Operating Telephone Company

- (a) In the event that the Telephone Company sells all or part of its operating telephone company (a **Sold Operating Company**) that provides Qualifying Services under this tariff during the Service Period (a **Property Sale**), the terms and conditions set forth in this Section (K) shall apply.
- (b) Prior to closure of the Property Sale or as expeditiously as practical after such closure, the Telephone Company shall notify the customer of such Property Sale via a written notice, which shall include the date on which the Property Sale is expected to close (or has closed) and the affected state(s) or other relevant geographic area(s).
- (c) Effective upon closure of the Property Sale if such closure occurs on the first day of a calendar month (or effective upon the first day of the calendar month following closure of the Property Sale if such closure occurs on a day other than the first day of a calendar month), all DS1 Units, Multiplexed DS3 Units, and PTP DS3 Units associated with the Sold Operating Company shall not be counted as Billed Qualifying Service Units, shall not be eligible for the Flat Rates, and shall cease to be covered by this Offer 60.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (K) Sale or Acquisition of Properties by the Telephone Company (Cont'd)
- (2) Mergers and Acquisitions of the Telephone Company
- (a) In the event the Telephone Company merges with another company, acquires a company or a portion of the business of another company, or is acquired in whole or in part by another company (the company with which the Telephone Company merges, the company or portion of the business thereof that the Telephone Company acquires, and the company that acquires the Telephone Company in whole or in part may be referred to collectively as the **Acquired Properties** and such merger or acquisition may be referred to in either case as a **Telco Acquisition**), the Telephone Company shall determine whether such Acquired Properties shall be included in or excluded from the terms and conditions (including the calculation of Quarterly Billing Adjustments) of this Offer 60 in accordance with (b) following.
- (b) The Parties shall work cooperatively to determine whether such Acquired Properties shall be included in or excluded from this Offer 60. No Acquired Properties shall be included in these contract tariffs absent the mutual agreement of the Parties.
- (N)

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25. Pricing Flexibility Contract Offerings (Cont'd) (N)
- PART 2 – Offers Administered Solely by Frontier (Cont'd)
- 25.60 Contract Offer No. 60 - DS1/DS3 Service Offer (Cont'd)
- (L) Termination
- (1) Mutual Agreement
- The Parties, by mutual written agreement in their sole discretion, may terminate the customer's subscription to this Offer 60. Except as otherwise mutually agreed in writing by the Parties, any termination under this Section (L)(1) shall be effective as of the end of the Plan Year preceding the termination. Termination of the customer's subscription to Option 2 of FCC 2, Option 63 of FCC 4, or Option 32 of FCC 5 shall be an automatic termination of the customer's subscription to this Offer 60. Upon any such termination, the customer shall be entitled to all Quarterly Billing Adjustments for the Plan Year preceding the termination, but shall not be eligible for any Quarterly Billing Adjustments for any period of time after the end of such Plan Year. (X)
(X)
- (M) Expiration of the Service Period
- Upon expiration of Service Period (including any extensions permitted under (E)(2) preceding), the customer may continue with the services at standard tariff rates, order any then available discount plan, or disconnect services.
- (X) Issued under authority of Special Permission No. 14-014. (N)