2. General Regulations (Cont’d)

2.5 Billing Regulations (Cont’d)

2.5.6 Credit Allowance for Service Interruptions (Cont’d)

(C) When a Credit Allowance Does Not Apply (Cont’d)

(7) Interruption of service caused by a customer's failure to provide notification to the Telephone Company of media stimulated mass calling events as specified in 6.5.11 (Media Stimulated Mass Calling Events).

(8) An interruption or a group of interruptions, resulting from a common cause, for amounts less than one dollar.

(9) Credit Allowance for Service Interruptions also apply when service is interrupted due to labor difficulties, governmental orders, civil commotions, criminal actions taken against the Telephone Company, acts of God and other circumstances beyond the Telephone Company's reasonable control. No credit shall be allowed for an interruption period of less than 30 minutes. The customer shall be credited for an interruption of 30 minutes or more at the rate of 1/1440 of the monthly charges for the facility or service for each period of 30 minutes or fraction thereof that the interruption continues after the initial 30 minute interruption. However, the Service Assurance Warranty Schedule (SAMS) as specified in 2.5.7 will not apply.

(D) Use of An Alternative Service Provided by the Telephone Company

Should the customer elect to use an alternative service provided by the Telephone Company during the period that a service is interrupted, the customer must pay the tariffed rates and charges for the alternative service used.

(E) Temporary Surrender of a Service

In certain instances, the customer may be requested to surrender a service for purposes other than maintenance, testing or activity relating to a service order. If the customer consents, a credit allowance will be granted. The credit allowance will be determined in the same manner as a credit for service interruptions as set forth in (A) preceding.

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Issued: March 17, 2004  Effective: April 1, 2004

One SBC Plaza, Dallas, Texas 75202
ACCESS SERVICE

2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS)

The customer shall be credited per the Service Assurance Warranty Schedule (SAWS) specified below when the total service interruptions on the same service exceed the SAWS threshold for that service as specified following, within a 12 hour time period.1 (C)

The SAWS credit allowance is in addition to the credit allowances in Section 2.5.6. The SAWS credit allowance is applied to the customer's bill in addition to the existing monthly service rates, and in addition to any existing credit allowances. The total credit allowance available to the customer, regardless of the number of service interruptions in any one monthly billing period, will not exceed 100 percent of the monthly charge for that particular service element.2 (C)

(A) Special Access Services

All Special Access Services with exceptions as listed below will be credited according to the SAWS schedule below, in addition to the credit allowances in Section 2.5.6.2 (C)

SAWS Threshold1 Over 3 hours

Service Category SAWS Credit Per Interruption

(1)2 All Special Access Services with the following exceptions:

DS1, DS3, DS1/DS3 expd. with SecureNet options, NRE and TRM Services (assoc. with DS1 or DS3 Service), Message Station Equipment Recovery Charge (assoc. with DS1/DS3 Svc.), Admin. and Mtlco. of Priority Restoration (assoc. with DS1/DS3 Service), Broadband Circuit Service (BCS)*, Optical Carrier Network (OCN) Point-to-Point Service, STN Service, ReliaNet Service

"This option is limited to existing customers at existing locations as of January 11, 2002.

1 Effective April 1, 2004, for Special Access Metallic, Telegraph, Voice Grade, Program Audio, Video, Megamak Data, High Capacity (DS1), and Megamak Custom Service (DS3) this regulation is limited to existing customers at existing locations. Additionally, this regulation is limited to services that may be restructured or moved pursuant to existing DS1 TFP terms and conditions found in Section 7.2.22.

2 Effective April 1, 2004 this regulation is limited to existing customers at existing locations. Additionally, this regulation is limited to services that may be restructured or moved pursuant to existing DS1 TFP terms and conditions found in Section 7.2.22.

(This page filed under Transmittal No. 2992)

Issued: March 17, 2004 Effective: April 1, 2004

One SBC Plaza, Dallas, Texas 75202
2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(A) Special Access Services (Cont'd)

High Capacity Service (DS1), Megalink Custom Service (DS3), RelianNet On-Net - Opt. 2 AC - DS1 and Off-Net AC, DS1 and DS3 access ports, Broadband Circuit Service (BCS) and Optical Carrier Network (OCN) Point-to-Point Service will be credited according to the SAWS schedule below, in addition to the credit allowances in Section 2.5.6.

**SAWS Threshold**

Over 2 hours

**Service Category**

1/2 of the monthly rate

1/2 of the monthly rate

---

*This option is limited to existing customers at existing locations as of January 11, 2002.

1 Effective April 1, 2004 this regulation is limited to existing customers at existing locations. Additionally, this regulation is limited to services that may be rearranged or moved pursuant to existing DS1 TFP terms and conditions found in Section 7.2.22.
2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS)

(A) Special Access Services

(4) Special Access Metallic, Telegraph, Voice Grade, Program Audio, Video, Megalink Data, High Capacity (DSL), and Megalink Custom Service (DSS)

For service interruptions 4 hours or greater, the customer shall be credited as follows:

(i) For the initial 4 hour outage in a 30 day period, in lieu of the credit described in 2.5.6, the customer will be credited as shown in the SAWS schedule below.

(ii) Additional service interruptions that are 4 hours or greater that occur in the same 30 day period will be calculated at the rate of $1/1440 per 30 minute interval described in 2.5.6.

The total credit allowance available to the customer regardless of the number or type of service interruptions within a 30 day period will not exceed 100% of the combined monthly rates per affected service.

Special Access Services as listed below will be credited according to the SAWS schedule below, in addition to the credit allowances in Section 2.5.6.

<table>
<thead>
<tr>
<th>SAWS Threshold</th>
<th>Service Category</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Hours and greater</td>
<td>Metallic</td>
<td>$5.00</td>
</tr>
<tr>
<td></td>
<td>Telegraph</td>
<td>$5.00</td>
</tr>
<tr>
<td></td>
<td>Voice Grade</td>
<td>$10.00</td>
</tr>
<tr>
<td></td>
<td>Program Audio</td>
<td>$10.00</td>
</tr>
<tr>
<td></td>
<td>Video</td>
<td>$10.00</td>
</tr>
<tr>
<td></td>
<td>Megalink Data</td>
<td>$120.00</td>
</tr>
<tr>
<td></td>
<td>High Capacity Service(DSL)</td>
<td>$300.00</td>
</tr>
<tr>
<td></td>
<td>Megalink Custom Service(DSS)</td>
<td>$300.00</td>
</tr>
</tbody>
</table>
2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(A) Special Access Services (Cont'd)

(5) High Capacity Special Access and MegaLink Custom Service Equipped with a SecureNet Option

No credit will be allowed for an interruption period of less than 2.0 seconds. For a single service interruption greater than 2.0 seconds, the credit will be as follows.

SAWS Threshold

Over 2.0 Seconds

<table>
<thead>
<tr>
<th>Service Category</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Capacity Service</td>
<td>Monthly Rate</td>
</tr>
<tr>
<td>Equipped with SecureNet-All Rate Elements</td>
<td></td>
</tr>
<tr>
<td>MegaLink Custom Service</td>
<td>Monthly Rate</td>
</tr>
<tr>
<td>Equipped with SecureNet-All Rate Elements</td>
<td></td>
</tr>
</tbody>
</table>

To receive a credit for a service interruption greater than 2.0 seconds, the interruption must occur in that part of the service equipped with a SecureNet option (e.g., a loop failure on a Special Access Service equipped with Hub Redundancy would receive credit after a 2.0 second interruption, an interoffice facility failure on the same service would be credited after 30 minutes).
2. **General Regulations (Cont'd)**

2.5 **Billing Regulations (Cont'd)**

2.5.7 **Service Assurance Warranty Schedule (SAWS) (Cont'd)**

(A) **Special Access Services (Cont'd)**

(6) **Network Reconfiguration Service (NRS) and Transport Resource Management Service (TRM)**

Network Reconfiguration Service and Transport Resource Management Service will be credited according to the SAWS schedule, below in addition to the credit allowance in Section 2.5.6.

<table>
<thead>
<tr>
<th>SAWS Threshold</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 2 hours</td>
<td>1/2 of the monthly rate</td>
</tr>
<tr>
<td>(a) NRS and TRM Svcs. assoc. with DS1/DS3 Svcs.</td>
<td></td>
</tr>
<tr>
<td>Over 3 hours</td>
<td>1/2 of the monthly rate</td>
</tr>
<tr>
<td>(b) NRS and TRM Svcs. assoc. with all Spl. Access Svcs. except DS1 and DS3 Svcs.</td>
<td></td>
</tr>
</tbody>
</table>

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Issued: March 17, 2004

Effective: April 1, 2004

One SBC Plaza, Dallas, Texas 75202
2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(A) Special Access Services (Cont'd)

(7) Message Station Equipment Recovery Charge and Administration and Maintenance of Priority Restoration

Message Station Equipment Recovery Charge and Administration and Maintenance of Priority Restoration Services will be credited according to the SAWS schedule, below in addition to credit allowances in Section 2.5.6.

<table>
<thead>
<tr>
<th>SAWS Threshold</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 2 hours</td>
<td></td>
</tr>
<tr>
<td>(a) Mess. Sta. Eqpt.</td>
<td>1/2 of the monthly rate</td>
</tr>
<tr>
<td></td>
<td>Recovery Chg. and Adm.</td>
</tr>
<tr>
<td></td>
<td>and Mtce. of Priority</td>
</tr>
<tr>
<td></td>
<td>Restoration Svcs. assoc.</td>
</tr>
<tr>
<td></td>
<td>with DSI and DS3 Svcs.</td>
</tr>
<tr>
<td>Over 3 hours</td>
<td></td>
</tr>
<tr>
<td>(b) Mess. Sta. Eqpt.</td>
<td>1/2 of the monthly rate</td>
</tr>
<tr>
<td></td>
<td>Recovery Chg. and Adm.</td>
</tr>
<tr>
<td></td>
<td>and Mtce. of Priority</td>
</tr>
<tr>
<td></td>
<td>Restoration Svcs. assoc.</td>
</tr>
<tr>
<td></td>
<td>with all Spl. Access</td>
</tr>
<tr>
<td></td>
<td>Svcs. except DSI and</td>
</tr>
<tr>
<td></td>
<td>DS3 Svcs.</td>
</tr>
</tbody>
</table>

(This page filed under Transmittal No. 2992)

Issued: March 17, 2004
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One SBC Plaza, Dallas, Texas 75202
ACCESS SERVICE

2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.9 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(A) Special Access Services (Cont'd)

(B) STN and ReliaNet (MAC and On-Net AC - Opt. 1)

<table>
<thead>
<tr>
<th>Service Category</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>All STN Service Rate Elements</td>
<td>Monthly Rate</td>
</tr>
</tbody>
</table>

No credit will be allowed for STN and ReliaNet (MAC and On-Net AC) service for an interruption period of less than 2.5 seconds. For a single service interruption greater than 2.5 seconds, the credit will be as follows.

SAWS Threshold

Over 2.5 Seconds

In the event the Telephone Company is modifying the existing STN or ReliaNet service to add an Access Node or ReliaNet node, at the customer's request, and the service is interrupted, credit allowance as set forth in 2.5.6(A) preceding will apply.

(This page filed under Transmittal No. 2992)

Issued: March 17, 2004
Effective: April 1, 2004

One SBC Plaza, Dallas, Texas 75202
2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(A) Special Access Services (Cont'd)

(9) STN Interconnection with SecureNet Equipped Megalink Custom Service

No credit will be allowed for Interconnection of an STN with Megalink Custom Service equipped with the SecureNet Serving Wire Center and Facility Redundancy for an interruption period less than 2.0 seconds. For a single service interruption greater than 2.0 seconds, the credit will be as follows.

SAWS Threshold

<table>
<thead>
<tr>
<th>Service Category</th>
<th>SAWS Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>STN Interconn. with SecureNet Equipped Megalink Custom Service</td>
<td>Monthly Rate</td>
</tr>
</tbody>
</table>

 Issued: March 17, 2004  
 Effective: April 1, 2004  
 One SBC Plaza, Dallas, Texas 75202
2. General Regulations (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(B) Switched Access Service and Directory Assistance Service

Switched Access Service and Directory Assistance Service will be credited according to the SAWS schedule below, in addition to the credit allowances in Section 2.5.6.

<table>
<thead>
<tr>
<th>SAWS Threshold</th>
<th>SAW Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 2 hours</td>
<td>(S)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Category</th>
<th>SAW Credit Per Interruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Entrance Facility</td>
<td></td>
</tr>
<tr>
<td>DS1</td>
<td>1/2 monthly rate</td>
</tr>
<tr>
<td>DS3 (Optical &amp; Electrical)</td>
<td>1/2 monthly rate</td>
</tr>
<tr>
<td>(b) Direct-Trunked Transport</td>
<td></td>
</tr>
<tr>
<td>DS1 (Fixed &amp; Per Mile)</td>
<td>1/2 monthly rate</td>
</tr>
<tr>
<td>DS3 (Fixed &amp; Per Mile)</td>
<td>1/2 monthly rate</td>
</tr>
</tbody>
</table>

Revised material is issued under the authority of Special Permission No. 94-745 of the F.C.C.

Reissued material is scheduled to become effective June 22, 1985.

(This page filed under Transmittal No. 2472)

Issued: June 20, 1995  Effective: June 22, 1995
2. General Regulations. (Cont'd)

2.5 Billing Regulations (Cont'd)

2.5.7 Service Assurance Warranty Schedule (SAWS) (Cont'd)

(C) Diversity Service

Diversity Service will be credited according to the SAWS schedule below, in addition to the credit allowances in Section 2.5.6.

<table>
<thead>
<tr>
<th>SAWS Threshold</th>
<th>Over 2 hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Category</td>
<td>SAWS Credit Per Interruption</td>
</tr>
<tr>
<td>(1) Diversity Service</td>
<td></td>
</tr>
</tbody>
</table>

Revised material is issued under the authority of Special Permission No. 94-745 of the F.C.C.

Reissued material is scheduled to become effective June 22, 1995.

(This page filed under Transmittal No. 2472)

Issued: June 20, 1995

Effective: June 22, 1995

One Bell Center, St. Louis, Missouri 63101
ACCESS SERVICE

38. Managed Value Plan (MVP)
   38.1 General Description
   38.2 Services Available Under MVP
   38.3 MVP Terms and Conditions

A. MVP Term Period

B. Customer Obligations

C. Minimum Annual Revenue Commitment (MARC)
   (1) Determining the MARC
   (2) Re-establishing the MARC

D. Access Service Ratio

E. MVP Billing Discounts
   (1) General
   (2) Application
   (3) MVP Commitment Discounts
   (4) MVP Service Level Assurance (MVP-SLA) Discounts
   (5) Nonrecurring Installation Charge Waivers

F. Renewals

G. MVP Service Level Assurance (MVP-SLA) Parameters
   (1) General
   (2) MVP-SLA Level 1
   (3) MVP-SLA Level 2

H. MVP Annual True-up Amount (MATA)

I. Failure to Meet Customer Obligations
   (1) Failure to Achieve the MARC
   (2) Failure to Meet the Access Service Ratio

J. Termination of an MVP Agreement
   (1) Termination Liability
   (2) Termination of MVP Agreement Due to Rate Reductions

K. Failure to Maintain Eligibility

L. Right of Successor of an MVP Agreement

(This page filed under Transmittal No. 2962)
38. Managed Value Plan (MVP)

38.1 General Description

Managed Value Plan (MVP) is a qualified access discount plan that provides customers with billing discounts for a commitment to maintain a predetermined annual recurring billing amount for five years. MVP is available to any customer with at least ten (10) million dollars in annual billing for the qualified access services listed in 38.2, following. Additional MVP discounts are also available if the Telephone Company fails to meet MVP Service Level Assurance levels stated in 38.3(G), following.

When MVP is ordered, the customer must provide all of the Access Customer Name Abbreviations (ACHA) and Other Company Name (OCN) codes included under the MVP Agreement.

38.2 Services Available Under MVP

MVP billing discounts apply to recurring revenues for the qualified access services contained in the tariff sections listed in the table below:

<table>
<thead>
<tr>
<th>Service</th>
<th>General/basic Description</th>
<th>Rates and Charges</th>
<th>Price Flex Rates and Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrance Facilities</td>
<td>6.5.1(A)</td>
<td>6.9.2(A)</td>
<td>39.5.1(A)</td>
</tr>
<tr>
<td>Direct Trunked Transport</td>
<td>6.5.1(B)</td>
<td>6.9.2(B)</td>
<td>39.5.1(B)</td>
</tr>
<tr>
<td>Voice Grade Service</td>
<td>7.3.4(A)</td>
<td>7.3.4(G)</td>
<td>39.5.2.3</td>
</tr>
<tr>
<td>Megalink Data Service</td>
<td>7.3.9(A)</td>
<td>7.3.9(F)</td>
<td>39.5.2.6</td>
</tr>
<tr>
<td>High Capacity Service</td>
<td>7.3.10(A)</td>
<td>7.3.10(F)</td>
<td>39.5.2.7</td>
</tr>
<tr>
<td>Self-Healing Transport Network</td>
<td>19.3</td>
<td>19.4</td>
<td>39.5.2.11</td>
</tr>
<tr>
<td>Megalink Custom Service</td>
<td>20.1</td>
<td>20.5</td>
<td>39.5.2.12</td>
</tr>
<tr>
<td>Dedicated SONET Ring Service</td>
<td>29.1</td>
<td>29.4</td>
<td>39.5.2.15</td>
</tr>
<tr>
<td>OC-192 Dedicated SONET Ring Service</td>
<td>30.1</td>
<td>30.4</td>
<td>39.5.2.16</td>
</tr>
<tr>
<td>Optical Carrier Network (OCN)</td>
<td>35.1</td>
<td>35.3</td>
<td>39.5.2.34</td>
</tr>
<tr>
<td>Point-to-Point Service</td>
<td>40.1</td>
<td>40.3</td>
<td>39.5.2.17</td>
</tr>
</tbody>
</table>

*Effective, January 11, 2002. BCS will no longer be available to customers. Grandfathered BCS customers will maintain their existing service arrangements until their contract expires unless their choices to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any conversions be allowed.

*This option is complete and limited to existing customers at existing locations, as of January 11, 2002.

Certain material previously appearing on this page now appears on Original Page 38-2.1.

(This page filed under Transmittal No. 2899)
38. Managed Value Plan (MVP) (Cont'd)

38.2 Services Available Under MVP (Cont'd)

With the exception of the provisions contained in 38.3(E)(5), following, all terms and conditions for the qualified services listed above are governed by its respective tariff sections. MVP discounts are in addition to, and do not alter, any of the existing service discount plans available in its respective tariffs.

When additional qualified access services are added to the Services Available Under MVP in Section 38.2, all recurring revenues associated with the new qualified access services will automatically be added to the customer's Monthly Access Revenue, as defined in Section 38.3(D), following. The Monthly Access Revenue is used in the calculation of the Access Service Ratio, as described in 38.3(D), following, and is also used as the customer's Monthly MARC achievement, as described in Examples 1 and 2 in Section 38.3(B)(3), following. The customer's Annual MARC will not automatically be increased when new qualified access services are added to Section 38.2. However, customers will have the ability to increase their Annual MARC by using the re-establishing the MARC Policy as outlined in 38.3(C)(2), following.
38. Managed Value Plan (MVP) (Cont’d)

38.3 MVP Terms and Conditions

(A) MVP Term Period

The term for a MVP Agreement is five (5) years and will commence on the billing date immediately following receipt of a properly signed MVP Agreement form. The initial billing period establishes the start of the five (5) year period where MVP discounts are in effect with the Telephone Company. MVP discount credits will accrue beginning with the first full month after the effective date of the MVP Agreement. The discount credits will be applied to the customer’s Access Service bill on a monthly basis, subject to the conditions of this tariff, beginning within sixty (60) days following the effective date of the agreement.

(B) Customer Obligations

To participate under MVP, a customer must agree to:

1) Establish an initial Minimum Annual Revenue Commitment (MARC). The MARC may be re-established as described in 38.3(C)(2), following; and

2) Maintain recurring qualified access billed revenue equal to or greater than the MARC during the MVP Agreement period; and

3) Maintain an Access Service Ratio, for the customer and its affiliates, equal to or greater than 95% measured on each anniversary of the MVP agreement date. The Access Service Ratio is defined in 38.3(D) following; and

1) Remit bill payment as described in Section 2.5.3, preceding, and establish electronic bill payment within six (6) months of a properly signed MVP Agreement form; and

5) Utilize industry agreed upon standards for mechanized ordering of qualified access services as contained in:

Ordering and Billing Forum
ATIS/OBF-ASR-041
Access Service Request, Mechanized Interface Specification; and

Customers participating under MVP prior to December 30, 2000 who have not previously established electronic bill payment are waived from this requirement.

Issued: April 9, 2002 Effective: April 10, 2002

One Bell Plaza, Dallas, Texas 75202
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont'd)

(B) Customer Obligations (Cont'd)

(6) Utilize industry agreed upon standards for maintenance and trouble reporting as contained in:


(C) Minimum Annual Revenue Commitment (MARC)

MVP billing discounts are applied to a customer's qualified monthly committed MARC, in the manner described in Section 38.3(E)(2). To receive the discount on a monthly basis, the customer must meet or exceed the predetermined MARC prorated on a monthly basis, maintain an Access Service Ratio greater than or equal to 95%, and continue to fulfill the other requirements contained in 38.3(B), preceding. MVP billing discounts will be applied in the form of a monthly credit on the customer's access bill.
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont’d)

(C) Minimum Annual Revenue Commitment (MARC) (Cont’d)

(1) Determining the MARC

The customer's initial Minimum Annual Revenue Commitment (MARC) is calculated based on the total of the previous three (3) months recurring billing for qualified access services, multiplied by four (4).

The MARC is calculated as follows:

\[(\text{Recurring Billing} \times \text{Amount for Previous Three (3) Months}) \times 4 = \text{MARC}^{(1)}\]

(2) Re-establishing the MARC

The MARC may be increased semi-annually, effective with the contract anniversary date. The MARC may be increased but never decreased. The minimum increase of the MARC is 5%. The revised MARC represents the customer's MVP revenue commitment for the remainder of the MVP five (5) year agreement upon which discounts will be calculated.

The following illustrates sample MARC re-establishment dates:

A customer MVP Agreement effective date and associated initial MARC are established on October 1, 2000. The customer cannot re-establish the MARC until October 1, 2001. If the customer does not re-establish the MARC on October 1, 2001, the next time the customer can re-establish the MARC is April 1, 2002. The following dates are the only other days upon which the MARC may be re-established:

<table>
<thead>
<tr>
<th>October 1, 2002</th>
<th>April 1, 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2003</td>
<td>October 1, 2004</td>
</tr>
<tr>
<td>October 1, 2003</td>
<td>April 1, 2005</td>
</tr>
</tbody>
</table>

The effective date of the revised MARC is the corresponding MARC re-establishment date.

---

(1) Based upon actual recurring billing, for qualified access services as stated in Section 38.2, preceding.

(2) Must equal $10 million or greater in annual qualified access services billing for services as stated in Section 38.2, preceding.

(This page filed under Transmittal No. 2899)
38. Managed Value Plan (MVP) (Cont’d)

38.3 MVP Terms and Conditions (Cont’d)

(D) Access Service Ratio

As referenced in Section 38.3(B)(3), preceding, the customer and its affiliates must maintain an Access Service Ratio of 95% or greater. The ratio, calculated monthly, is the total qualified access service billed revenue minus the adjusted revenue for the associated rate elements not included in the interstate tariff divided by the total qualified access service billed revenue. To remain in compliance with the MVP agreement, the ratio must be greater than or equal to 95% on the anniversary date of the MVP agreement.

The 95% ratio is calculated as follows:

Monthly Access Revenue = (Monthly Wholesale Revenue - Fixed Wholesale Revenue) / Monthly Access Revenue

Where:

- Monthly Access Revenue is the customer's and its affiliates' current monthly recurring billed revenue, for qualified access services as defined in 38.2, preceding.
- Monthly Wholesale Revenue is the customer's and its affiliates' current monthly recurring billed revenue for associated rate elements not included in the interstate tariff services as defined in 38.3(D), following.
- Fixed Wholesale Revenue is the customer's and its affiliates' monthly recurring billed revenue for associated rate elements not included in the interstate tariff as defined in 38.3(D), following, for the month of August 2000.
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont'd)

(D) Access Service Ratio (Cont'd)

The customer's and its affiliates Access Service Ratio must equal or exceed 95% for each month in order for the customer to receive the commitment discount that month. Months where the customer does not receive the commitment discount are subject to true-up as explained in 38.3(H).

The associated rate elements are listed in the table below:

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate Broadband Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>DS1</td>
<td>4-wire digital loop</td>
</tr>
<tr>
<td></td>
<td>DS1 Entrance Facilities</td>
</tr>
<tr>
<td></td>
<td>DS1 Interoffice Transport</td>
</tr>
<tr>
<td></td>
<td>DS1 Cross Connects</td>
</tr>
<tr>
<td></td>
<td>DS1 Multiplexing</td>
</tr>
<tr>
<td></td>
<td>All DS1 non-tariffed Committed Information</td>
</tr>
<tr>
<td>DS3</td>
<td>DS3 Loop</td>
</tr>
<tr>
<td></td>
<td>DS3 Entrance Facilities</td>
</tr>
<tr>
<td></td>
<td>DS3 Interoffice Transport</td>
</tr>
<tr>
<td></td>
<td>DS3 Cross Connects</td>
</tr>
<tr>
<td></td>
<td>DS1/DS3 Multiplexing</td>
</tr>
<tr>
<td></td>
<td>All DS3 non-tariffed Committed Information</td>
</tr>
<tr>
<td>OC-3</td>
<td>OC-3 Entrance Facilities</td>
</tr>
<tr>
<td>OC-12</td>
<td>OC-3 Interoffice Transport</td>
</tr>
<tr>
<td>OC-48</td>
<td>OC-3 Cross Connects</td>
</tr>
<tr>
<td></td>
<td>OC-3 Multiplexing</td>
</tr>
<tr>
<td></td>
<td>OC-12 Entrance Facilities</td>
</tr>
<tr>
<td></td>
<td>OC-12 Interoffice Transport</td>
</tr>
<tr>
<td></td>
<td>OC-12 Cross Connects</td>
</tr>
<tr>
<td></td>
<td>OC-12 Multiplexing</td>
</tr>
<tr>
<td></td>
<td>OC-48 Entrance Facilities</td>
</tr>
<tr>
<td></td>
<td>OC-48 Interoffice Transport</td>
</tr>
<tr>
<td></td>
<td>OC-48 Cross Connects</td>
</tr>
<tr>
<td></td>
<td>OC-48 Multiplexing</td>
</tr>
<tr>
<td></td>
<td>All OC-N equivalent non-tariffed Committed Information</td>
</tr>
<tr>
<td></td>
<td>Rate Broadband Services</td>
</tr>
<tr>
<td>Other</td>
<td>Dark Fiber - Interoffice</td>
</tr>
<tr>
<td>Transport Products</td>
<td>Dark Fiber - Loop</td>
</tr>
<tr>
<td></td>
<td>Dark Fiber - Subloop</td>
</tr>
<tr>
<td></td>
<td>Dark Fiber Cross Connects</td>
</tr>
</tbody>
</table>

As new associated rate elements are introduced and added to the table in Section 38.3(D) all recurring revenues associated with the new associated rate elements will automatically be added to the customer's Monthly Wholesale Revenue, as defined in Section 38.3(D) preceding for calculation of the Access Service Ratio.

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Issued: May 24, 2002
Effective: June 8, 2002
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont'd)

(E) MVP Billing Discounts

(1) General

MVP discounts are applied to the customer's and its affiliates' qualified monthly MARC commitment. There are two types of MVP billing discounts available:

- MVP Commitment Discounts
- MVP Service Level Agreement (SLA) Discounts

In addition to the MVP billing discounts, Nonrecurring Installation Charges will be waived as described in 38.3(E)(5), following.

(2) Application

MVP Commitment Discounts will begin the first full month following the effective date of the MVP Agreement and are applied as a credit toward the customer's access service bill on a full month's basis. MVP Commitment Discounts will be issued on a monthly basis sixty (60) days in arrears. Monthly billing credits will be issued for every month the customer maintains MVP eligibility as stated in 38.3(B), preceding. All discounts will be subject to true-up as provided in 38.3(H), following.

MVP-SLA discounts will be applied to the total qualified annual MARC within 60 days following the MVP anniversary date, provided the customer has achieved its obligations contained in 38.3(B), preceding.

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x Issued under authority of Special Permission No. 02-052 of the F.C.C. in order to restore currently effective provisions and to withdraw material filed under Transmittal No. 2883 without becoming effective.

(This page filed under Transmittal No. 2892)

Issued: April 9, 2002  Effective: April 10, 2002

One Bell Plaza, Dallas, Texas 75202
Managed Value Plan (MVP) (Cont'd)

MVP Terms and Conditions (Cont'd)

MVP Billing Discounts (Cont'd)

MVP Commitment Discounts

<table>
<thead>
<tr>
<th>YR 1</th>
<th>YR 2</th>
<th>YR 3</th>
<th>YR 4</th>
<th>YR 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>11%</td>
<td>12%</td>
<td>13%</td>
<td>14%</td>
</tr>
</tbody>
</table>

The MVP commitment discount is applied monthly, for those months where the criteria is met. If the customer does not receive the monthly commitment discount, it may still receive the discount, if it is in compliance with Section 38.3 by the contract anniversary date, through the true-up process described in 38.3(H).

Example 1:
A customer is in Year 1 of its MVP agreement. Its MARC is established at $12 million, per the guidelines in 38.3(C)(1), preceding. The customer achieves a qualified monthly billing of $1.07 million and has an Access Ratio of 97.53%.

The customer's MVP Commitment Discount is equal to $90,000, calculated as follows:

Annual MARC = $12M
Monthly MARC = $12M / 12 months = $1M
MVP Commitment Discount = 9%
MVP Monthly Credit = $1.0M * .09 = $90,000

Example 2:
A customer is in Year 3 of its MVP agreement. Its MARC is established at $12 million, per the guidelines in 38.3(C)(1), preceding. The customer achieves a qualified monthly billing amount of $1.18 million and has an Access Ratio of 96.8%.

The customer's MVP Commitment Discount is equal to $120,000, calculated as follows:

Annual MARC = $12M
Monthly MARC = $12M / 12 months = $1M
MVP Monthly Credit = $1.18M * .12 = $120,000

Issued: April 9, 2002
Effective: April 10, 2002

One Bell Plaza, Dallas, Texas 75202
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont'd)

(B) MVP Billing Discounts (Cont'd)

(3) MVP Commitment Discount (Cont'd)

Example 3:
A customer is in Year 4 of its MVP agreement. Its MARC was re-established at $15 million, per the guidelines in 38.3(C)(1), preceding. The customer achieves a qualified monthly billing amount of $1.3 million and has an Access Service Ratio of 95%. The customer's MVP Commitment Discount is equal to $162,500, calculated as follows:

Annual MARC = $15M
Monthly MARC = $15M / 12 months = $1.25M
Monthly MARC achievement = $1.3M
MVP Commitment Discount = 13%
MVP Monthly Credit = $1.25M * .13 = $162,500

Example 4:
A customer is in year 3 of its MVP agreement. Its MARC is established at $12 million, per the guidelines in 38.3(C)(1), preceding. The customer achieves a qualified monthly billing amount of $1.18 million and has an Access Service Ratio of 94.3%.

The customer receives no discount for only the month the Access Service Ratio is below 95%. The missed discount is subject to the annual true-up process explained in 38.3(H), following.
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions

(6) MVP Billing Discounts (Cont'd)

(4) MVP Service Level Assurance (MVP-SLA) Discounts

MVP customers will be eligible for additional credits if certain quality of service parameters are not met by the Telephone Company during the term of the MVP Agreement. Two separate MVP-SLA discounts may apply.

MVP-SLA Level 1 - A discount credit of 1% of the customer's annual MARC may be applied in the event the Telephone Company does not achieve its pre-determined targets for quality of service throughout the term of the MVP Agreement as described in Section 38.3(G)(2)(a), following.

MVP-SLA Level 2 - An additional discount credit of 1% of the customer's annual MARC may be applied if the Telephone Company fails to perform at the standards as described in Section 38.3(G)(3)(a), following.

(5) Nonrecurring Installation Charge Waivers

For all Access Service Requests (ASR) that have an Application Date (APP Date) on or after the effective date of the MVP Agreement, all nonrecurring initial installation charges associated with Term Pricing Plans of three (3) years or longer, with the exception of expedited and special construction charges (as set forth in Sections 5.3.2 and 5.2.6 preceding), for the qualified access services described in 38.2, preceding, will be waived for the duration of a customer's MVP Agreement, as long as the circuit remains in service for at least three years or as long as the terms and conditions of the underlying term plans are met. The nonrecurring initial installation charges do not include subsequent changes and/or moves. Nonrecurring charges for optional features and functions associated with the initial installation of a circuit will be waived. Nonrecurring charges for the subsequent addition of optional features and functions (after the initial installation) will not be waived. If the underlying service is terminated before its term agreement expires, the customer will be billed the nonrecurring charges associated with the underlying tariff when the circuit is disconnected or the service is terminated. In the event that MVP is terminated before the terms and conditions of the underlying term plan are met, the nonrecurring charges previously waived under MVP will be billed to the customer. The Nonrecurring Channel Termination Charges associated with the failure to meet the DSI Term Payment Plan Portability Commitment and for exceeding the DSI Term Payment Plan Portability Commitment, as described in section 7.2.22(E)(3) previously, will not be waived under this Nonrecurring Installation Charge Waiver.

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Issued: May 2, 2003
Effective: May 17, 2003

One SBC Plaza, Dallas, Texas 75202
38. Managed Value Plan (MVP) (Cont’d)

38.3 MVP Terms and Conditions (Cont’d)

(F) Renewals (Cont’d)

Prior to expiration of an MVP Agreement, an MVP customer may renew its agreement for an additional five (5) year term without incurring a termination liability, as contained in 38.3(J), following. All renewals must occur no later than three (3) months before the expiration date of the original MVP agreement. The MVP Commitment Discount for the MVP Agreement Renewal will be 14% for the five (5) years of the renewal agreement. The MARC for the new MVP Agreement Renewal will be the existing Annual MARC of the final year of the previous MVP Agreement. Only one renewal is permitted per MVP Agreement. Upon expiration of an MVP Agreement or an MVP renewal, and if an MVP tariff remains in effect and is not grandfathered, a new MVP Agreement may be established with a new MARC developed per the provisions contained in 38.3(C)(1), preceding.

(G) MVP Service Level Assurance (MVP-SLA) Parameters

(1) General

MVP customers may be eligible for additional credits based upon the quality of service delivered during the term of the MVP Agreement. MVP-SLA credits will be applied in the event that the Telephone Company’s MVP-SLA service performance level objectives are not met.

MVP-SLA parameters are established for a twelve month interval commencing with the MVP Agreement date.

The service performance level parameters for each of these three (3) services shall address:

(a) On-Time Provisioning (OTP) - Calculated by dividing the number of customer requests for new service and rearrangements of existing service that were missed for Telephone Company reasons by the total number of new service requests and rearrangements of existing service completed during the reporting period. The date used to determine whether or not the service request was missed is the Service Confirmation Date provided on the Final Order Confirmation (FOC).

(b) Failure Frequency (FF) - Represented as an annualized percent of the MVP customer's total access circuit failures. Calculated by dividing the total number of Telephone Company circuit failures during the reporting period by the cumulative number of embedded circuits for the same period and multiplying the result by 12. Only "found trouble" reporting codes are considered to be failures. "Found trouble" reporting codes are report codes CC, CO, FAC, STN, and SVB.

Certain material appearing on this page previously appeared on 3rd Revised Page 38-11.

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Issued: May 24, 2002 Effective: June 8, 2002

One Bell Plaza, Dallas, Texas 75202
38. Managed Value Plan (MVP) (Cont'd)

38.3 MVP Terms and Conditions (Cont'd)

(G) MVP Service Level Assurance (MVP-SLA) Parameters (Cont'd)

(1) General (Cont'd)

(c) Time to Restore (TTR) - Measure of outage duration calculated by dividing the total number of measured troubles that are less than or equal to 3 hours in the reporting period by total number of troubles in the same reporting period. All measured trouble codes are included in this calculation. These are CC, CO, FAC, NTP, STN, SVB, and TOK.

(2) MVP-SLA Level 1

(a) Description

In the event that the Telephone Company fails to perform at or above the established service thresholds for any given MVP Agreement year, the MVP customer will be entitled to a Level 1 Service Quality Assurance credit.

MVP-SLA Level 1 Discounts are applicable to the following qualified services:

- Voice Grade Service - Section 7.3.4
- Megalink Data Service - Section 7.3.9
- High Capacity Service - Section 7.3.10

A minimum number of circuits per service, a minimum number of new installations per service, and a minimum number of trouble-ticket activities per service will be required in order to qualify that service for possible discounts under the MVP-SLA Level 1 service performance terms. These minimum requirements are listed in Table A below:

<table>
<thead>
<tr>
<th>MVP-SLA Qualified Service</th>
<th>Minimum In-Service Requirement</th>
<th>Minimum Installations Per Quarter</th>
<th>Minimum Trouble Tickets Per Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voice Grade Service</td>
<td>50</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Megalink Data Service</td>
<td>50</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>High Capacity Service</td>
<td>50</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

Table A

(1) Customers participating in MVP prior to June 8, 2002 are not required to meet the Minimum In-Service Requirement, the Minimum Installation Requirement, or the Minimum Trouble Ticket Requirement.

Certain material previously appearing on this page now appears on 2nd Revised Page 38-13.1, following.

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One Bell Plaza, Dallas, Texas 75202