

BellSouth Interconnection Services

675 West Peachtree Street Atlanta, Georgia 30375

Carrier Notification SN91082602

Date: September 28, 2001

To: All Interexchange Carriers (IXCs), Wireless Carriers and Competitive Local

Exchange Carriers (CLECs)

Subject: IXCs, Wireless Carriers, and CLECs - Transport Payment Plan and Area

Commitment Plan Advantages over Month-to-Month Rates

BellSouth continually strives to make its products more affordable as your company makes volume and term commitments with BellSouth. Avoid paying higher month-to-month rates and sign up for the BellSouth Transport Payment Plan (TPP). The Area Commitment Plan (ACP) is also offered with savings to your company.

With the TPP, a customer commits to a minimum time period. There are three payment plans. Plan A is 12 to 36 Months; Plan B is 37 to 60 Months; and Plan C is 61 to 96 Months. The current savings associated with these plans compared to the month-to-month rate for a LightGate Local Channel range from 15% to 31%, based on the chosen plan. There are many advantages associated with the Payment Plan Options that BellSouth offers to your company. Besides the obvious savings in rates, other significant advantages of the Plan include exemption from BellSouth-initiated rate increases, and rate decreases that will automatically be reflected in the rates charged. The benefits of TPP do not stop with savings on month-to-month rates, rate stabilization and automatic flow through of rate decreases. Your company may also upgrade or add to its service at any time with no termination liabilities.

With the BellSouth ACP, a customer commits to quantities and time periods for SPA DS1. There are two plans to choose from. Plan A is a commitment for 24 to 48 months and Plan B is for a commitment of 49 to 72 months. Commitments are made on a regional basis. Again, your company receives savings off of its month-to-month rate by subscribing to ACP. The current savings associated with these plans compared to the month-to-month rate for a SPA DS1 Local Channel range from 16% to 24%, based on the chosen plan. Simply maintain the minimum number of rate elements during the agreed-upon time period. Similar to TPP, your company will automatically realize the benefit of any rate decreases implemented. Your company will receive credits on its monthly bill when its commitment level is maintained. To maximize your savings, your company may increase its commitment level or time period as negotiated with your BellSouth account representative.

BellSouth plans to raise the current month-to-month rates in the LightGate and the SPA DS1 Tariff for the relief areas associated with Flexible Pricing in Section 23 of the tariff. Rates in the BellSouth Tariff FCC No. 1 for SPA, Section 7, will not be affected. The tariff changes are scheduled to become effective November 1, 2001. However, the pricing for the Payment Plans will not increase, creating even greater savings associated with the Payment Plans. Savings associated with the TPPs over month-to-month rates for LightGate Local Channel will then

range from 23% to 37%. The savings associated with the ACPs over month-to-month rates for SPA DS1 Local Channel will then range from 24% to 31%.

Please contact your BellSouth Interconnection Sales Team Representative for more information concerning these Payment Plans and begin optimizing the savings available to your company.

Sincerely,

ORIGINAL SIGNED BY JIM BRINKLEY

Jim Brinkley – Senior Director BellSouth Interconnection Services