

BellSouth Business Markets

675 West Peachtree Street Atlanta, Georgia 30375

Carrier Notification SN91086213

Date: September 19, 2006

To: All Business Markets – Wholesale Customers

Subject: All Business Markets – Wholesale Customers – (Billing, Tariff and

Interconnection/Contractual) - Notice of Deregulated Service Offerings in Kentucky

As you may be aware, on April 22, 2006, House Bill No. 337 was signed into law by the governor of Kentucky. As a result, most retail services will no longer be subject to regulation by the Kentucky Public Service Commission (PSC). The affected services are: (1) all existing and new retail telecommunications services currently governed by the BellSouth General Subscriber Services Tariff (GSST) with the exception of primary, single line, voice grade communication service; and (2) all existing and new services governed by the BellSouth Private Line Services Tariff (collectively, "Deregulated Services").

Effective December 1, 2006, new and existing customers will begin purchasing all Deregulated Services in accordance with the rates, terms and conditions described in the BellSouth Service Agreement for Business Services, Service Descriptions and Price Lists, all of which are available for viewing on the following BellSouth Web site at:

http://cpr.bellsouth.com/pdf/ky/ky.htm

Effective December 1, 2006, BellSouth will detariff the Deregulated Services, at which time all customers purchasing Deregulated Services will also be governed by the rates, terms and conditions set forth in the Service Agreement for Business Services, Service Descriptions and Price Lists described above, subject to the exceptions set forth below. If you are an existing Business Markets - Wholesale customer (formerly known as Interconnection Services), no action is required on your part to maintain your current BellSouth service. Further, BellSouth will continue to offer these Deregulated Services for resale consistent with its obligations to resell its retail telecommunications services pursuant to Section 251 of the Telecommunications Act of 1996, or pursuant to its Interconnection and Resale Agreements.

Thus, for Business Markets - Wholesale customers who were buying Deregulated Services on a month-to-month basis directly from BellSouth's tariffs without any separate underlying agreement, beginning December 1, 2006, these Deregulated Services will be available pursuant to the Service Agreement for Business Services, Service Descriptions and Price Lists reflected on the above Web site. The rates, features and functionality of the Deregulated Services have not changed, and will remain the same until BellSouth provides notice of any change pursuant to the new law. By applying for, subscribing to, using or paying for the service, your company agrees to be bound by the rates, terms and conditions set forth in the Service Agreement for Business Services, Services Descriptions and Price List. If your company does not agree with the provisions of the Service Agreement for Business Services, or does not wish to

continue to purchase the services, you may terminate service by contacting your BellSouth account team representative.

To the extent your company either entered into a contract or agreement with BellSouth prior to the deregulation of these services, or before such time agreed upon terms of a contract or agreement with BellSouth to be entered into after such services became deregulated (and are bound by such commitment to enter into such agreement or contract), which references such tariff provisions, the following shall apply:

- 1. For any contract or agreement for services pursuant to which you have agreed to a defined service term commitment, any tariff provision that is referenced in such contract or agreement shall continue to apply as a contractual term or condition for the remainder of the term commitment, unless provided to the contrary in such contract or agreement.
- 2. For any contract or agreement contemplating the ordering of any Deregulated Service on a month-to-month basis pursuant to rates, terms and conditions previously set forth in the tariff, the rates, terms and conditions governing such Deregulated Services on and after December 1, 2006, shall be those set forth in the Service Agreement for Business Services, Service Description and Price List applicable to such services, unless provided to the contrary in such contract or agreement.
- 3. For any contract or agreement between your company and BellSouth that contemplates your ordering Deregulated Services, all service-specific rates, terms and conditions for any such services purchased on a month-to-month basis shall be subject to paragraph 2 above, except that where a provision of the Service Agreement directly conflicts with a provision of the contract or agreement between your company and BellSouth, the provision of the contract or agreement shall control.
- 4. For any contract or agreement between your company and BellSouth that contemplates your ordering Deregulated Services, all service-specific rates, terms and conditions for any Deregulated Services purchased under a term commitment shall be subject to paragraph 1 above, except that where a former tariff provision directly conflicts with a provision of the contract or agreement between your company and BellSouth, the provision of the contract or agreement shall control.
- 5. For any contract or agreement between your company and BellSouth that contemplates the applicability of a referenced tariff provision to other services purchased pursuant to such contract or agreement, those referenced tariff provisions shall continue to apply for the remaining term of such contract or agreement.

Should you have additional questions, please contact your BellSouth contract negotiator or account team representative.

Sincerely,

ORIGINAL SIGNED BY KRISTEN E. SHORE

Kristen E. Shore – Director BellSouth Business Markets