

BellSouth Business Markets 675 West Peachtree Street Atlanta, Georgia 30375

Carrier Notification SN91086272

Date: December 11, 2006

To: All Business Markets - Wholesale Customers

Subject: All Business Markets – Wholesale Customers – (Billing, Tariff and Interconnection/Contractual) – Phase II of the Notice of Deregulated Service Offerings in Alabama

In Carrier Notification Letter SN91086197, dated August 31, 2006, BellSouth advised you that the following business and residential bundled services purchased on or after September 1, 2006, would be deregulated and offered under the terms and conditions set forth in BellSouth Service Agreements: (1) BellSouth[®] Area Plus[®] service plans including Area Plus with Complete Choice[®] service; (2) BellSouth Business Choice[®] plans; (3) BellSouth[®] Complete Choice[®] plan; (4) Complete Choice for business package; (5) BellSouth[®] PreferredPack[®] plan; and (6) BellSouth[®] 2 Pack plan (collectively, "Bundled Services").

Effective February 1, 2007, Bundled Services purchased prior to September 1, 2006, and all other business and residential services except Basic Telephone Services and Optional Telephone Features as defined in Section 37-2A-2 of the Code of Alabama (1975) (collectively referred to as "Deregulated Services") will no longer be subject to the rates, terms and conditions set forth in BellSouth's Alabama tariffs. Instead, on and after February 1, 2007, BellSouth will offer all Deregulated Services subject to the rates, terms and conditions set forth in the BellSouth Service Agreement for Business Services, the Service Descriptions and the Price Lists, all of which are available for viewing on the following BellSouth Web site at:

www.bellsouth.com/agreement

Effective February 1, 2007, BellSouth will detariff or grandfather the Deregulated Services. All customers purchasing Deregulated Services on a month-to-month basis will 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, and pursuant to its Interconnection and Resale Agreements.

For Business Markets - Wholesale customers who were buying Deregulated Services on a month-tomonth basis directly from BellSouth's Alabama tariffs, without any separate underlying agreement, as of February 1, 2007, these Deregulated Services will be available pursuant to the BellSouth 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 a subsequent change. 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 February 1, 2007, that references such tariff provisions, or agreed upon terms of a contract or agreement with BellSouth that references such tariff provisions and that was to be entered into after such services became deregulated (and are bound by such commitment to enter into such agreement or contract), 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 for all Deregulated Services purchased on and after February 1, 2007 (including the rates, terms and conditions for all Bundled Services, regardless of the date ordered) 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 any of the 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 provision of the tariff in effect immediately prior to deregulation 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