BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

IN RE:)	
BUDGET PREPAY, INC.)	
V.)	DOCKET NO. <u>12-00102</u>
BELLSOUTH TELECOMMUNICATIONS,)	
INC. LLC d/b/a AT&T Tennessee)	filed electronically in docket
		office on 08/27/12

COMPLAINT

Budget Prepay, Inc. ("Budget") brings this before the Tennessee Regulatory Authority ("Authority" or "TRA") against BellSouth Telecommunications, LLC d/b/a AT&T Tennessee ("AT&T") alleging that AT&T is imposing an unlawful restriction on resale of bundled local and long distance cash back promotions (collectively "Bundled Promotions"); that AT&T's actions are preferential, discriminatory and anti-competitive as AT&T seeks to impair competition, enhance its competitive position, and gain a competitive advantage through an inappropriate intra-corporate transaction and/or tying arrangement with its affiliate long distance company; that AT&T is required, during the times that the Bundled Promotions were and are offered to its retail customers, to offer the Bundled Promotions for resale to Budget; and for determination of the amounts due Budget with respect to such Bundled Promotions. In support of this Petition, Budget states as follows:

Identification of Parties

1. Budget is a Louisiana corporation with its principal place of business in Bossier City, Louisiana.

- 2. AT&T is a Georgia corporation with its principal place of business in Atlanta, Georgia. AT&T is an "incumbent local exchange carrier" ("ILEC") as defined by the Telecommunications Act. 47 U.S.C. § 251(h).
- 3. Budget and AT&T are parties to an Interconnection Agreement entered pursuant to the Telecommunications Act, under which AT&T is required to provide certain wholesale telecommunications services to Budget for resale by Budget to retail end-users.

Facts and Nature of Dispute

- 4. AT&T has since March 21, 2010, and is currently, offering and providing retail residential customers in Tennessee a cash back promotion available to certain qualifying new and existing customers and subscribers, and applicable to purchases of certain bundled qualifying services that includes local service and also long distance service (the "Bundled Promotions"). The Bundled Promotions are being marketed by "AT&T", and provide that customers subscribing to certain service offerings provided by AT&T shall qualify for a \$100 or \$50 reward. The service offerings included in the Bundled Promotions specifically require local service to be provided to the customer by an AT&T affiliated ILEC. The cash back promotion is not available to customers without the local service provided by the ILEC. Copies of AT&T materials relevant to the Bundled Promotion are included in Exhibit A attached to and made a part hereof.
- 5. At all relevant times that AT&T has provided the Bundled Promotions to retail customers, AT&T has not provided the Bundled Promotions at resale to Budget as required by the Interconnection Agreement and applicable law. AT&T is purportedly restricting the Bundled Promotions from availability to Budget on grounds that the promotion is offered by an

affiliate AT&T long distance company, even though the service offerings underlying the Bundled Promotions specifically require local service.

6. Budget has submitted notices of billing dispute and claims for credits to AT&T for resale rights associated with the Bundled Promotions, and is currently withholding payment of disputed amounts pursuant to its Interconnection Agreement with AT&T.

Law

7. Applicable law includes:

- a. ILECs have the duty to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers. 47 U.S.C. § 251(c)(4)(A);
- b. ILECs have a duty not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, nor engage in discriminatory and anti-competitive practices in, the resale of such telecommunications service. 47 U.S.C. § 251 (b)(1) and 47 U.S.C. § 251(c)(4)(B); T.C.A. §§ 65-4-115, 65-4-122 (a) and (c), 65-5-104, and 65-5-108(c); and TRA Rule 1220-4-8-.09.
- c. Only the following types of restrictions on resale may be imposed: (i) cross-class selling; (ii) short term promotions of a duration of 90 days or less; and (iii) a restriction that the ILEC has proved to the state commission is reasonable and non-discriminatory. 47 C.F.R. § 51.613(a)(2);
- d. Promotional offerings greater than 90 days in duration must be offered for resale at wholesale rates. 47 U.S.C. § 251(c)(4)(A) and T.C.A. §§ 65-4-115 and 65-4-122(c); and TRA Rule 1220-4-8-.09. Federal Communications Commission ("FCC") Order 96-325,

August 8, 1996, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 ("Local Competition Order");¹

- e. An ILEC shall make its telecommunications services available for resale to requesting telecommunications carriers on terms and conditions that are reasonable and non-discriminatory. 47 C.F.R. § 51.603(a); and
- f. Except as provided in 47 C.F.R. § 51.613, an incumbent LEC shall not impose restrictions on the resale by a requesting carrier of telecommunications services offered by the incumbent LEC. 47 C.F.R. § 51.605(e).
- g. To the extent that AT&T provides interLATA or intraLATA services to its interLATA affiliate, AT&T must make those services available to all carriers at the same rates and on the same terms and conditions. 47 USC § 272(e)(4).

8. The FCC has confirmed:

"Section 251(c)(4) provides that incumbent LECs must offer for resale at wholesale rates 'any telecommunications service' that the carrier provides at retail to noncarrier subscribers. This language makes no exception for promotional or discounted offerings, including contract and other customer-specific offerings. We therefore conclude that no basis exists for creating a general exemption from the wholesale requirement for all promotional or discount service offerings made by incumbent LECs. A contrary result would permit incumbent LECs to avoid the statutory resale obligation by shifting their customers to nonstandard offerings, thereby eviscerating the resale provisions of the 1996 Act."

"We conclude that the plain language of the 1996 Act requires that the incumbent LEC make available [to competing carriers] at wholesale rates retail services that are actually composed of other retail services, i.e., bundled service offerings."

9. Tennessee laws require:

¹ First Report and Order, FCC 96-325, CC Docket Nos. 96-98 and 95-185, 11 FCC Rec. 15499 (August 8, 1996).

² First Report and Order, FCC 96-325, CC Docket Nos. 96-98 and 95-185, 11 FCC Rec. 15499, ¶¶ 948 (August 8, 1996)(emphasis added).

³ First Report and Order, FCC 96-325, CC Docket Nos. 96-98 and 95-185, 11 FCC Rec. 15499, ¶¶ 877 (August 8, 1996)(emphasis added).

- a) Telecommunications Service Providers ("TSPs") must comply with all TRA rules, regulations, orders, tariff and other requirements relevant to the provision of telecommunications service. T.C.A. § 65-4-104.
- b) TSPs are prohibited from engaging in unreasonable price discrimination, predatory pricing, price squeezing, or tying arrangements with respect to other TSPs and end users regardless of whether the services are offered pursuant to tariff and/or contract. T.C.A. §§ 65-4-115, 65-4-122(a) and (c), 65-5-104, and 65-5-108(c); and TRA Rule 1220-4-8-.09.
- c) TSPs are prohibited from providing preferences related to the provision of telecommunications services to affiliated entities. *Id*.
- 10. The dispute brought forth in this Petition arises because AT&T has unilaterally restricted the Bundled Promotions from resale, contrary to the Interconnection Agreement between AT&T and Budget and applicable law.
- 11. The local telecommunications services offered by AT&T as part of the Bundled Promotions are subject to resale. Applicable law prohibits AT&T from evading its resale obligations by placing these telecommunications services in bundles, discounting these services, and then restricting the promotional offering from resale. A contrary result would permit AT&T to avoid the statutory resale obligation by shifting its retail customers to bundled offerings, thereby eviscerating the resale provisions of the Telecommunications Act.
- 12. AT&T has not sought or obtained a ruling from the TRA prior to imposing the restriction on resale of the Bundled Promotions.

Cause of Action

13. Budget incorporates Paragraphs 1 through 12 as if fully set forth herein.

- 14. AT&T is required, during all relevant times the Bundled Promotions were and are offered to its retail customers, to offer the Bundled Promotions for resale to Budget.
- 15. AT&T's failure to make the Bundled Promotions available to Budget violates its Interconnection Agreement with Budget and applicable law requiring resale rights be made available for promotional offerings, and is preferential, discriminatory and anti-competitive as AT&T seeks to impair competition, enhance its competitive position, and gain a competitive advantage through an inappropriate intra-corporate transaction and tying arrangement with its affiliate long distance company.

3151659-1

Request for Relief

Wherefore, based upon the foregoing, Budget respectfully asks that the Authority make

the following findings and grant the following relief:

1. Convene a contested case:

2. Find that AT&T is required to offer the Bundled Promotions for resale to Budget

during the times that the Bundled Promotions were and are offered by AT&T to its retail

customers;

3. Find that AT&T has imposed and is imposing an unlawful restriction on resale of

its Bundled Promotions;

4. Declare that AT&T's actions are preferential, discriminatory and anticompetitive

as AT&T seeks to impair competition, enhance its competitive position, and/or gain a

competitive advantage through an inappropriate intra-corporate transaction and/or tying

arrangement with its affiliate long distance company;

5. Declare the amounts due Budget by AT&T with respect to the Bundled

Promotions, for the period August 29, 2010 forward, plus interest, as resolution of the

disputed claims and associated late payment charges assessed by AT&T related thereto;

and

6. Grant such other and further relief to which Budget is entitled under the premises.

Respectfully submitted,

H. LaDon Baltimore (BPR#003836)

Farris Mathews Bobango, PLC

618 Church Street, Suite 300

Nashville, TN 37219

615-726-1200

dbaltimore@farrismathews.com

Katherine W. King (#7396) Randy Young (#21958) Randal R. Cangelosi (#23433) Carrie R. Tournillon (#30093) KEAN MILLER LLP P. O. Box 3513 Baton Rouge, LA 70821 Telephone: (225) 387-0999 Attorneys for Budget Prepay, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing has this date been served via email or U.S. Mail, postage prepaid, to:

H. A. Badi

Joelle Phillips AT&T Tennessee 333 Commerce Street, Suite 2101 Nashville, TN 37201-3300 jp3881@att.com

AT&T Contract Management ATTN: Notices Manager 311 S. Akard, 9th Floor Dallas, TX 75202-5398

AT&T Business Markets Attorney Suite 4300 675 Peachtree St. Atlanta, GA 30375

This <u>27</u>thday of August 2012.

3151659-1

BUDGET PREPAY, INC v. BELLSOUTH d/b/a AT&T

EXHIBIT A



You can't count on just any phone service provider.

With AT&T, you have access to even more top-of-the-line services at everyday low prices. And in this economy, it's nice to know you can get the services you need and save some money. That's why every day more and more customers switch to AT&T.

For less than \$20 per month, you'll get:

- · Unlimited local calling that keeps you connected all the time
- . An everyday low price, not a short-term promotional price
- Dependable service for security systems and 911 emergencies
- · Predictable billing every month that eliminates surprises

Plus, if you're looking for affordable high-speed internet service, check out FastAccess* DSL for only \$19.95 per month.

Best of all, get up to \$325 CASH BACK when you sign up for other qualifying services.

Sincerely,

Deboran Peoples

Leterne Duple

Vice President, AT&T Consumer Sales & Service

call

1-866-653-2395

click

att.com/connect

and enter invitation code 60562799730.

Si prefiere comunicarse con nosotres en español, por favor liámenos al 1-856-792-7941.

(See reverse side for important informstion.)

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UNLIMITED Local Calling

Less than

20 per month?

EVERYDAY LOW PRICE

- · Enjoy security and peace of mind with a reliable connection at home
- · Get the network with 99.9% reliability

UNLIMITED Long Distance Calling

Just

EVERYDAY

 Talk as much as you want, anytime you want

FastAccess® DSL

Just

per month³ LOW PRICE

EVERYDAY

- 24-month price guarantee and no term commitment
- · Access the nation's largest Wi-Fi network, including Starbucks‡
- · No activation fees

- PLUS -

Get up to \$325 CASH BACK

when you switch to AT&T and sign up for other qualifying services.*

0809/NAL



Call AT&T today for value, choice and reliability.

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Mon. - Fri. 8 a.m. - 7 p.m. EST and Sat. 8 a.m. - 5 p.m. EST

Your world. Delivered.

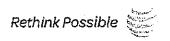


•Rollover Mittules: Unused Anytime Minutes expire after the 12th billing period. Night and Weekend and Mobile to Mobile minutes do not roll over. •Based on non-municipal company owned and operated hotspots. AT&T Wi-Fi Basic service not included with AT&T Worldnet service. Wi-Fi enabled device required. Other restrictions apply. See www.attwift.com for additional services, details and locations. Wi-Fi at Starbucks available at U.S. company-operated Starbucks locations equipped with a hotspot.

Rate excludes taxes, surcharges, subscriber line, extended area service, installation and universal service fund fees. "Up to \$325 Cash Back Offer: \$50 Cash Back for Local Service OR \$100 Cash Back for Local Service and Long Distance: Customers who switch local telephone service to AT&T and purchase qualifying local service (Complete Choice* Basic, Complete Choice® Enhanced or Consumer's Choice Plus) receive \$50 cash back. Customers who switch service to AT&T and purchase qualifying local service (Complete Choice Basic, Complete Choice Choice Enhanced or Consumer's Choice Plus) and a qualifying domestic Hollinfred Long Distance plus receive \$50 cash back for the purchase of Unlimited Long Distance plus receive \$50 cash back for the purchase of Unlimited Long Distance plus receive \$50 cash back for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and \$50 for the purchase of Unlimited Long Distance and Qualifying handset, DIRECTV Requires AT&T local and long distance service. Long distance not required with online orders at www.at.com or for wireless orders. Must be new customer to qualifying service(s). Offer ends 9-19-09. \$125 Cable Switch Cash Back: \$125 cash back reward available to residential customers switching existing cable internet service to any speed of EastAccess PSL. Offer excludes fastAccess DIL, Differ ends to the purchase with purchase the provider of the combiner must salisfy all outstanding obligations with current cable provider. Only one high-speed internet cable switch offer per local telephone bill. Online redemption required. May not be combined with other internet service cash back offers. Offer ends 9-19-09, Cash liack redemption requires customer to retain qualifying service(s) a minimum of 30 days and at time processing of reward is completed. Checks will be sent within 4 to 6 weeks to eligible customers following redemption of reward. Checks may not be used to pay for local telephone service provided by AT&T. Cash back offers may not be combined with other AT&T promotional offers on the same services. Unlimited Local Calling: Rotes vary depending on state service area. Rates are subject to change. AT&T Unlimited Nationwide Calling** Advantage 2: This plan is for residential customers who switch or return to AT&T for local phone service, and provides unlimited domestic direct-dialed long distance Available only with the purchase of ALL DISTANCE* or a basic access line. Plan is for residential, non-business use only. Plan cannot be used for long distance or local toll access to the Internet or for business purposes such as telemarketing auto-dialing, or commercial or broadcast facsimile (FAX) where any of these calls would be long distance or local toll calls. If plan is used for unauthorized purposes, the Company may immediately suspend, restrict or cancel the customer's service. Quoted rate excludes a monthly Carrier Cost Recovery Fee of \$1.99 per month for lang distance. This fee is not a government required charge. Availability, rates, terms and conditions are subject to change. *FastAccess* DSL Service requires DSL modern/inuter and qualifying local service. Quoted price is for FastAccess DSL Lite (758K) with no term commitment. Other Charges: Taxes, excessive usage and other charges may apply. Other Terms: Speed claim(s) represent maximum downstream and/or upstream speed capabilities which may vary and are not guaranteed. Many factors can affect actual speeds. Advertised Internet speed options not available in all areas. Guaranteed Price for 24 Months: Price guarantee applies to monthly recurring charge for a period of 24 months from date of service, and does not include taxes, fees or excessive bandwidth usage charges. Offer excludes FastAccess* DSL Life service with a term commitment. Offer ends 9-19-09. Altering, suspending or terminating service will cancel price guarantee. All Offers: Advertised services not available in all areas. Offers may be modified or discontinued at any time without notice. Other conditions apply to all offers. Offers valid for one service time at the intended local service address. © 2009 AT&T Intellectual Property. All rights reserved. AT&T, the AT&T logo and all other AT&T mails contained herein are trademarks of AT&T intellectual Property and/or AT&T affiliated companies. Subsidiaries and affiliates of ATAT luc. provide products and services under the ATAT brand. DIRECTV service is provided by DIRECTV.

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Re: Your service at 311 W Quilly St, Griffin, GA 30223 If this address is not correct, please call us at 1-877-273-9696

""""AUTO" MIXED AADC 607

Talk all you want, enjoy high-speed internet action.







from AT&T (see details inside)

Distance Calling

Get up to \$300 back in promotion cards from AT&T with other qualifying services at non-promotional prices.*

talk is cheap so is surfing the net

Enjoy these services at great low prices, in this economy, it's nice to know you can get the services you need and save some money — up to \$300 back in promotion cards from AT&TI Your cable company talks the talk, but do they walk the walk?



surf the net

High Speed Internet from AT&T

As low as

Hurry! Limited-Time Offer

a month for 12 months

- Downstream speeds up to 3 Mbps
- Includes on-the-go access to the entire national AT&T Wi-Fi Hot Spot network at no extra charge** (1-year term required)



մերհեսկարգի

talk it up

UNLIMITED Local Calling

- Enjoy the security and peace of mind that come with a reliable connection at home
- Get the network with 99.9% reliability Everyday Low Price



keep talking

UNLIMITED Long Distance Calling

- Pay one small price for UNLIMITED nationwide calling
- Call and talk as much as you want

Everyday Low Price

take action

Get each of these services at a great low price. Plus, find out how you can get up to \$300 back in promotion cards from AT&T when you switch and choose other qualifying services at non-promotional prices."



1-877-273-9696



att.com/connect

and enter invitation code 60989409709.

Si prefiere comunicarse con nosotros en español, por favor llamenos al 1-877-998-5512.

(See reverse for details)

0511/DSL ACTEDOSC ACTJEQGO-10-MA-L3-D1-GA



It's time to switch to AT&T!

- Only Wireless from AT&T offers Rollover Minutes* allowing you to keep your unused minutes month to month and avoid overage charges.¹
- Get high-speed Internet at home and on-the-go with access to the entire national AT&T Wi-Fi Hot Spot network at no extra charge.**
- AT&T home phone service, with 99.9% network reliability, provides a connection you can count on.
- Record and play back with your DVR in 100% digital picture and sound with TV service from AT&T.

WIRELESS . HIGH SPEED INTERNET . HOME PHONE . DIGITAL TV









Get a deal cable just doesn't offer — get AT&T!

1-877-273-9696

Si prefiere comunicarse con nosotros en español, por favor llámenos al 1-877-998-5512.

Mon. - Frì. 8 a.m. - 7 p.m. EST and Sat. 8 a.m. - 5 p.m. EST

Rollover Minutes: Unused Anytime Minutes expire after the 12" billing period. Night and Weekend and Mobile to Mobile Minutes do not roll over. "Access includes AT&T Wi-Fi Basic, Wi-Fi enabled device required. Other restrictions apply, See www.attwifi.com for details and locations, Use of Wi-Fi at home will count toward your AT&T High Speed Internet usage allowance.

Rate excludes taxes, surcharges, subscriber line, extended area service, installation and universal service fund fees. *Up to \$300 Offer: Must be new customer to qualifying service(s). Long Distance Offers (End 9-30-11): Customers switching to AT&T long distance receive a \$100 promotion card for purchase of an unlimited long distance plan or \$50 for an AT&T ONE RATE* plan. Must be new or existing AT&T local service customer. Customer eligible for one promotion card (whether \$50 or \$100) per 12 month period. DIRECTV* service and Cable Switch Offers from AT&T (End 7-16-11): \$50 card for combined purchase of qualifying high-speed internet service and DIRECTV* CHOICE XTRA** Package or higher with HD Access or DVR service from AT&T | DIRECTV. \$100 card when switching from existing cable internet service to a qualifying high-speed internet plan from AT&T. Online redemption and AT&T local service required. Offer Redemption Terms: Card redemption required. Card sent 4-6 weeks after redemption to customers who retain qualifying service(s). Not redeemable for cash, for use at automated gasoline pumps or for cash withdrawal at ATMs. Card expires 90 days after Issuance. For cardholder agreement, pitf. Cards issued by U.S. Bank National Association, pursuant to a license from Visa U.S.A. Inc. Wireless \$50 AT&T Promotion Card for purchase of a select handset from a participating AT&T sales channel through 7-16-11 with a new 2-yr wireless voice rate plan of \$39.99 or higher. Must maintain qualifying services for a minimum of 30 consecutive days to receive the used for cash withdrawal at ATMs or automated gasoline pumps. See terms at www.att.com/wirelessrebate.

*Unlimited Local Calling: Rates vary depending on state service area and are subject to change.

AT&T Unlimited Nationwide Calling Advantage 2 plan is available to residential customers who switch to AT&T for local phone service and provides unlimited domestic direct-dialed long distance for residential, non-business use only. Plan cannot be used for long distance or local toll access to the internet or for business purposes such as telemarketing, auto-dialing, or commercial or broadcast facsimile (FAX) where any of these calls would be long distance or local toll calls, if plan is used for unauthorized purposes, the Company may immediately suspend, restrict or cancel the Customer's Service. Quoted rate excludes a monthly Carrier Cost Recovery Fee of \$1.99 per month for long distance. This fee is not a government required charge.

thigh Spaed internet from AT&T Promotion: DSI. modem and local access line required. Quoted price for speeds up to 3.0 Mbps after bill credits. First two bill credits will be applied on same bill within the first three bill cycles. Taxes and other charges apply. DSI. price includes 150 GB of data/mo. Additional \$10 charge per each 50 GB of data usage in excess of allowance. For more information, go to http://myusage.att.com. New customers only. After 12 months, standard rates apply unless canceled by customer at the end of 12 months. Early termination fee applies. Speed claim(s) represent maximum downstream and/or upstream speed capabilities which may vary and are not guaranteed. Offer expires 7-16-11. Other conditions apply. All Offers: Advertised services not available in all areas. Offers may be modified or discontinued at any time without notice. Other conditions apply to all offers. Offers valid for one service line at the intended local service address. AT&T employees or retires may not be eligible for promotional offers. ©2011. AT&T Intellectual Property. All rights reserved. AT&T, the AT&T logo and all other AT&T marks contained herein are trademarks of AT&T intellectual Property and/or AT&T affiliated companies. Subsidiaries and affiliates of AT&T inc. provide products and services under the AT&T brand. DirECTV service is provided by DIRECTV.

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AT&T - If I want AT&T Long Distance, do I need AT&T's local phone service?

Help and Support Search Gon at&t To speak to a Representative call 1-877-253-0009 Mon-Fri 5AM-6PM EST Account Management Log In Small Business > Long Distance & International Services > Long Distance Plans > if I want AT&T Long Distance, do I need AT&T's local pho... Support for: Small Business Small Business Support C C Personalize your support Ask a Question Print | CShare M 17 Text size: A A Search FAQs If I want AT&T Long Distance, do I need AT&T's local phone service? **Browse Support Topics** Billing & Payments Yes, you need local phone service with AT&T to get one of our Long Distance calling plans. Online Account Management Wireless Services High Speed Internet Wi-Fi & Hotspots 1 Solution Feedback Technical Support & Repair Local Services Need more help? Was this solution easy to find? Long Distance & International Contact AT&T Yes O 🍪 Services Local Toll Confirm Long Distance Carrier Did the solution help you? Long Distance Plans Yes O Order Long Distance Intratata Calling International Plans Order International Service International Disting instructions General Service Questions Easy Reach 800 Bundles & Promotions Additional Voice Services Video & Data Services Dial internet Support Directory information Find Out More About AT&T Contacting AT&T

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AT&T on the Web

RESIDENTIAL SERVICE GUIDE FOR INTEREXCHANGE INTERSTATE, AND INTERNATIONAL SERVICES

Original Page 1

Effective: September 7, 2010

SECTION 7 - PROMOTIONS

7.1 General Information

From time to time, the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some or all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration. Such promotions shall be made available to all similarly situated Customers in the target market area and will comply with all applicable Commission regulations.

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Original Page 2 Effective: September 7, 2010

RESIDENTIAL SERVICE GUIDE FOR INTEREXCHANGE INTERSTATE, AND INTERNATIONAL SERVICES

SECTION 7 - PROMOTIONS

7.2 Promotional Offerings

7.2.1 AT&T Visa® Reward Card Promotion

- (A) This promotion is available beginning March 21, 2010 and will end on March 31, 2011. Orders for new service must be activated by April 30, 2011. Residential Customers who qualify for this promotion will receive a redemption coupon per qualifying service for a one-time Visa® Reward Card.
- (B) During the promotion availability period, Customers must:
 - either, previously subscribed to local dial tone service of the Company's affiliated incumbent local exchange company ("Affiliated ILEC") and have cancelled that service, or; (2) previously subscribed to long distance service from the Company and have cancelled that service, or; (3) currently reside within the Company or Affiliate of the Company's local territory who is now moving service from a competitor of the Company or Affiliate of the Company to the Affiliated ILEC; and,
 - .2 newly subscribe to one of the following qualifying Company plans: AT&T
 Unlimited Nationwide Calling One, AT&T Unlimited Nationwide Calling
 Advantage 1, AT&T Unlimited Nationwide Calling Advantage 2, AT&T
 Unlimited Nationwide Calling Advantage 3, AT&T ONE RATE® Nationwide 5
 Cents Advantage or AT&T ONE RATE® Nationwide Calling 1; and,
 - .3 contact the Company in response to a direct mail campaign specific to this promotion.
- (C) Customer must retain qualifying service a minimum of thirty (30) days and must redeem the redemption coupon/redemption form via a Company-designated website. Reward card will be mailed to Customer's address of record and will expire ninety (90) days after card issuance. Reward cards cannot be used to pay any bill or invoice from the Company or any affiliate of the Company. Void where prohibited, taxed or restricted. Other terms and restrictions apply. The Visa® reward card is subject to additional terms and conditions imposed by card issuer.
- (D) Residential Customers who qualify for this promotion will receive a redemption coupon per qualifying service as follows for a one-time Visa® Reward Card. Customers are eligible for one reward card in a 12-month period (whether a \$50.00 or \$100.00 reward card) and reward cards can be combined with other reward amounts from other promotions where specified.

Qualifying Service(s)	Reward Amount
AT&T Unlimited Nationwide Calling SM One	\$100.00
AT&T Unlimited Nationwide Calling SM Advantage AT&T Unlimited Nationwide Calling SM Advantage	1 \$100.00
AT&T Unlimited Nationwide Calling SM Advantage	2 \$100.00
AT&T Unlimited Nationwide Calling SM Advantage:	3 \$100.00
AT&T ONE RATE® Nationwide 5 Cents Advantage	\$50.00
AT&T ONE RATE® Nationwide Calling 1	\$50.00

(E) This promotion is not available to directors, officers, retirees or employees of the Company or an Affiliate of the Company that receive concessions on their long distance service.

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RESIDENTIAL SERVICE GUIDE FOR INTEREXCHANGE INTERSTATE, AND INTERNATIONAL SERVICES

SECTION 7 - PROMOTIONS

- 7.2 Promotional Offerings (continued)
 - 7.2.2 AT&T Reward Visa® Prepaid Card Promotion
 - (A) This promotion is available beginning on July 1, 2010 and will end on January 31, 2011. Orders for new service must be activated by February 28, 2011. This promotion is available to residential Customers who:
 - .1 Are moving their service to a new location and contact the Company in response to a Direct Mail campaign or a Mover's Guide available at a United States Post Office, specific to this promotion; and,
 - .2 Subscribe to one of the Qualifying Services listed in (C) herein during the availability period for this promotional offering, when transferring or purchasing local service* from AT&T at the new location.
 - (B) Residential Customers who qualify for this promotion will receive a redemption coupon for a one-time AT&T Reward Visa® Prepaid Card for subscribing to one of the qualifying Company plans listed below.

<u>ınt</u>

- (C) Customer must retain Qualifying Service a minimum of thirty (30) days and must redeem the redemption coupon/redemption form via a Company-designated website. AT&T Reward Visa® Prepaid Card will be mailed to the Customer's address of record and will expire ninety (90) days after card issuance. Void where prohibited, taxed or restricted. Other terms and conditions apply. The AT&T Reward Visa® Prepaid Card is subject to additional terms and conditions imposed by card issuer.
- (D) This promotion is not available to director, officers, retirees, or employees of the Company or an affiliate of the Company who receive concessions on their long distance service.

^{*}This service is not offered under any Company tariff or Pricing and Service Guides.

2nd Revised Page 6 Effective: April 1, 2011

RESIDENTIAL SERVICE GUIDE FOR INTEREXCHANGE, INTERSTATE AND INTERNATIONAL SERVICES

SECTION 4 - INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

- 4.6 Optional Calling Plans
 - 4.6.1 AT&T ONE RATE® Nationwide Calling 1
 - (A) The AT&T ONE RATE® Nationwide Calling 1 plan is an outbound only direct dialed interstate and intrastate long distance usage calling plan offered to Residential Customers on switched access lines. Service is offered on a per-minute basis, twenty-four hours per day, seven days per week. A single monthly recurring charge applies. Customers must dial 1 plus the area code, if applicable, and the called telephone number from their presubscribed telephone line.
 - (B) To be eligible for this plan, Customers must subscribe to and maintain an access line# from the Company's affiliated incumbent local exchange company and must subscribe to the Company for the provision of interstate and intrastate InterLATA and/or intrastate IntraLATA service.
 - (C) All calls are billed in one (1) minute increments after an initial period, for billing purposes, of one (1) minute.
 - (D) The Monthly Recurring Charge (MRC) is \$2.00 and the per minute usage rate is \$0.1500.

(D)

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- 4.6 Optional Calling Plans (continued)
 - 4.6.2 AT&T One Rate® Nationwide Advantage (Previously known as AT&T One Rate® Nationwide 5 Cents Advantage Plan)
 - (A) The AT&T One Rate® Nationwide Advantage is a bundled outbound only direct dialed interstate and intrastate long distance usage calling plan offered to Residential Customers on switched access lines. Service is offered on a per-minute basis, twenty-four hours per day, seven days per week. A single monthly recurring charge applies. Customers must dial I plus the area code, if applicable, and the called telephone number from their presubscribed telephone line.
 - (B) To be eligible for this plan, Customers must subscribe to and maintain an access line# from the Company's affiliated incumbent local exchange company and must subscribe to the Company for the provision of interstate and intrastate InterLATA and/or intrastate IntraLATA service.
 - (C) All calls are billed in one (1) minute increments after an initial period, for billing purposes, of one (1) minute.
 - (D) The MRC is \$5.00 and the per minute usage rate is \$0.0700.

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#- Service not offered under this Service Guide.

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- 4.6 Optional Calling Plans (continued)
 - 4.6.3 AT&T Unlimited Nationwide Calling One (continued)

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SECTION 4 – INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

- 4.6 Optional Calling Plans (continued)
 - 4.6.4 AT&T Unlimited Nationwide Calling Advantage 1 (continued)

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SECTION 4 - INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

- 4.6 Optional Calling Plans (continued)
 - 4.6.5 AT&T Unlimited Nationwide Calling Advantage 2 (continued)

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SECTION 4 – INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

- 4.6 Optional Calling Plans (continued)
 - 4.6.6 AT&T Unlimited Nationwide Calling Advantage 3 (continued)

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SECTION 4 - INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

4.2 Rewards

As described below, AT&T Reward Cards are available to qualifying residential Customers of the Company who purchase one of the following plans from the Company: either, (1) AT&T Unlimited Nationwide Calling M One, AT&T Unlimited Nationwide Calling M Advantage 1, AT&T Unlimited Nationwide Calling M Advantage 2 or AT&T Unlimited Nationwide Calling M Advantage 3 ("Unlimited Qualifying Plan"); or, (2) AT&T ONE RATE® Nationwide Advantage or AT&T ONE RATE® Nationwide Calling 1 ("ONE RATE Qualifying Plan").

(A) Winback/Win/New - Qualifying Customers:

- .1 Must be contacted by the Company or must contact the Company and request this reward;
- .2 Must not subscribe to any service from the Company at the time an Unlimited or ONE RATE Qualifying Plan is ordered;
- .3 Must previously have subscribed to service from the Company and have cancelled that service; or currently subscribe a long distance service or its equivalent from a wireline or wireless competitor of the Company or from a wireless Affiliate of the Company and be moving service to the Company; or never before have subscribed to long distance service or its equivalent from any company;
- .4 Must subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .5 Must be a new or existing local service customer of an Affiliated ILEC of the Company;
- .6 Will receive a redemption coupon for a one-time \$100 AT&T Reward Card for purchase of an Unlimited Qualifying Plan;
- .7 Will receive a redemption coupon for a one-time \$50 AT&T Reward Card for purchase of a ONE RATE Qualifying Plan;
- Are eligible for one AT&T Reward Card as described herein in a 12 month period (whether \$50 or \$100, depending on Qualifying Plan);
- .9 Must retain the Unlimited or ONE RATE Qualifying Plan at the time the Reward Card is sent (within 4 to 6 weeks after redemption) and must redeem the redemption coupon/redemption form via website. Reward Card will be mailed to Customer's address of record and will expire ninety (90) days after card issuance. Reward Cards cannot be used to pay any bill or invoice from the Company or any Affiliate of the Company in some states and are not redeemable for cash, for use at automated gasoline pumps or for cash withdrawal at ATMs. Void where prohibited, taxed or restricted. The reward card is subject to additional terms and conditions imposed by card issuer.

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SECTION 4 - INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

4.8 Rewards (continued)

(B) Movers - Qualifying Customers:

- Must be moving their residence to a new location and contact the Company in response to a Direct Mail campaign or a Mover's Guide available at a United States Post Office and subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .2 Must subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .3 Must be a new or existing local service customer of an Affiliated ILEC of the Company;
- .4 Will receive a redemption coupon for a one-time \$100 AT&T Reward Card for purchase of an Unlimited Qualifying Plan;
- .5 Will receive a redemption coupon for a one-time \$50 AT&T Reward Card for purchase of a ONE RATE Qualifying Plan;
- .6 Must retain the Unlimited or ONE RATE Qualifying Plan at the time the Reward Card is sent (within 4 to 6 weeks after redemption) and must redeem the redemption coupon/redemption form via website. Reward Card will be mailed to Customer's address of record and will expire ninety (90) days after card issuance. Reward Cards cannot be used to pay any bill or invoice from the Company or any Affiliate of the Company in some states and are not redeemable for cash, for use at automated gasoline pumps or for cash withdrawal at ATMs. Void where prohibited, taxed or restricted. Other terms and restrictions apply. The reward card is subject to additional terms and conditions imposed by card issuer.

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- 4.6 Optional Calling Plans
 - 4.6.1 AT&T ONE RATE® Nationwide Calling 1
 - (A) The AT&T ONE RATE® Nationwide Calling 1 plan is an outbound only direct dialed interstate and intrastate long distance usage calling plan offered to Residential Customers on switched access lines. Service is offered on a per-minute basis, twenty-four hours per day, seven days per week. A single monthly recurring charge applies. Customers must dial 1 plus the area code, if applicable, and the called telephone number from their presubscribed telephone line.
 - (B) To be eligible for this plan, Customers must subscribe to and maintain an access line# from the Company's affiliated incumbent local exchange company and must subscribe to the Company for the provision of interstate and intrastate InterLATA and/or intrastate IntraLATA service.
 - (C) All calls are billed in one (1) minute increments after an initial period, for billing purposes, of one (1) minute.
 - (D) The Monthly Recurring Charge (MRC) is \$2.00 and the per minute usage rate is \$0.1500.

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- 4.6 Optional Calling Plans (continued)
 - 4.6.2 AT&T One Rate® Nationwide Advantage (Previously known as AT&T One Rate® Nationwide 5 Cents Advantage Plan)
 - (A) The AT&T One Rate® Nationwide Advantage is a bundled outbound only direct dialed interstate and intrastate long distance usage calling plan offered to Residential Customers on switched access lines. Service is offered on a per-minute basis, twenty-four hours per day, seven days per week. A single monthly recurring charge applies. Customers must dial 1 plus the area code, if applicable, and the called telephone number from their presubscribed telephone line.
 - (B) To be eligible for this plan, Customers must subscribe to and maintain an access line# from the Company's affiliated incumbent local exchange company and must subscribe to the Company for the provision of interstate and intrastate InterLATA and/or intrastate IntraLATA service.
 - (C) All calls are billed in one (1) minute increments after an initial period, for billing purposes, of one (1) minute.
 - (D) The MRC is \$5.00 and the per minute usage rate is \$0.0700.

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- 4.6 Optional Calling Plans (continued)
 - 4.6.3 AT&T Unlimited Nationwide Calling One (continued)

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- 4.6 Optional Calling Plans (continued)
 - 4.6.4 AT&T Unlimited Nationwide Calling Advantage 1 (continued)

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SECTION 4 – INTERSTATE SERVICE DESCRIPTIONS, RATES AND CHARGES

- 4.6 Optional Calling Plans (continued)
 - 4.6.5 AT&T Unlimited Nationwide Calling Advantage 2 (continued)

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4.6 Optional Calling Plans (continued)

4.6.6 AT&T Unlimited Nationwide Calling Advantage 3 (continued)

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4.2 Rewards

As described below, AT&T Reward Cards are available to qualifying residential Customers of the Company who purchase one of the following plans from the Company: either, (1) AT&T Unlimited Nationwide Calling M Advantage 1, AT&T Unlimited Nationwide Calling M Advantage 2 or AT&T Unlimited Nationwide Calling M Advantage 2 or AT&T Unlimited Nationwide Calling M Advantage 3 ("Unlimited Qualifying Plan"); or, (2) AT&T ONE RATE® Nationwide Advantage or AT&T ONE RATE® Nationwide Calling 1 ("ONE RATE Qualifying Plan").

(A) Winback/Win/New - Qualifying Customers:

- .1 Must be contacted by the Company or must contact the Company and request this reward;
- .2 Must not subscribe to any service from the Company at the time an Unlimited or ONE RATE Qualifying Plan is ordered;
- .3 Must previously have subscribed to service from the Company and have cancelled that service; or currently subscribe a long distance service or its equivalent from a wireline or wireless competitor of the Company or from a wireless Affiliate of the Company and be moving service to the Company; or never before have subscribed to long distance service or its equivalent from any company;
- .4 Must subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .5 Must be a new or existing local service customer of an Affiliated ILEC of the Company;
- .6 Will receive a redemption coupon for a one-time \$100 AT&T Reward Card for purchase of an Unlimited Qualifying Plan;
- .7 Will receive a redemption coupon for a one-time \$50 AT&T Reward Card for purchase of a ONE RATE Qualifying Plan;
- .8 Are eligible for one AT&T Reward Card as described herein in a 12 month period (whether \$50 or \$100, depending on Qualifying Plan);
- .9 Must retain the Unlimited or ONE RATE Qualifying Plan at the time the Reward Card is sent (within 4 to 6 weeks after redemption) and must redeem the redemption coupon/redemption form via website. Reward Card will be mailed to Customer's address of record and will expire ninety (90) days after card issuance. Reward Cards cannot be used to pay any bill or invoice from the Company or any Affiliate of the Company in some states and are not redeemable for cash, for use at automated gasoline pumps or for cash withdrawal at ATMs. Void where prohibited, taxed or restricted. The reward card is subject to additional terms and conditions imposed by card issuer.

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4.8 Rewards (continued)

(B) Movers - Qualifying Customers:

- .1 Must be moving their residence to a new location and contact the Company in response to a Direct Mail campaign or a Mover's Guide available at a United States Post Office and subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .2 Must subscribe to an Unlimited or ONE RATE Qualifying Plan;
- .3 Must be a new or existing local service customer of an Affiliated ILEC of the Company;
- .4 Will receive a redemption coupon for a one-time \$100 AT&T Reward Card for purchase of an Unlimited Qualifying Plan;
- .5 Will receive a redemption coupon for a one-time \$50 AT&T Reward Card for purchase of a ONE RATE Qualifying Plan;
- .6 Must retain the Unlimited or ONE RATE Qualifying Plan at the time the Reward Card is sent (within 4 to 6 weeks after redemption) and must redeem the redemption coupon/redemption form via website. Reward Card will be mailed to Customer's address of record and will expire ninety (90) days after card issuance. Reward Cards cannot be used to pay any bill or invoice from the Company or any Affiliate of the Company in some states and are not redeemable for cash, for use at automated gasoline pumps or for cash withdrawal at ATMs. Void where prohibited, taxed or restricted. Other terms and restrictions apply. The reward card is subject to additional terms and conditions imposed by card issuer.

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