

APPENDIX A



September 28, 2010

VIA Email: Michel.Nelson@360.net

Michel Singer Nelson
Associate General Counsel
370 Interlocken Blvd, Suite 600
Broomfield, CO 80021

Re: 360networks Intervention in CenturyLink/Qwest merger proceedings

Dear Michel:

This will confirm the understanding we reached regarding the status of interconnection agreements, as amended, between 360networks (USA) inc. (360networks) and Qwest Corporation, namely that Qwest Corporation¹ will honor all obligations under its existing interconnection agreements with 360networks. Qwest Corporation will not terminate or change the conditions of 360networks' interconnection agreements in any state, with the exception of changes of law, unless requested or agreed to by 360networks, or in the event of default or other triggering event expressly contemplated by the terms of the agreement, for a period of 36 months from the Closing Date of the CenturyLink/Qwest transaction for any agreement not expired as of the Closing Date and for any agreement that has been expired less than 3 years as of the Closing Date. In addition, where 360networks and Qwest Corporation are in negotiations for the initial successor agreement to an agreement covered above, 360networks may, at its option, use its currently existing agreement as the basis for negotiating the initial successor agreement with Qwest Corporation. Unless mutually agreed otherwise, 360networks and Qwest Corporation agree to incorporate the amendments to the existing agreement into the body of the agreement used as the basis for such negotiations of the initial successor agreement. The parties will work cooperatively to complete any necessary ICA amendments or filings to effectuate these terms, where needed. This agreement is null and void if the pending merger between CenturyLink and Qwest does not close.

Nothing in this agreement shall preclude 360networks from obtaining the benefits of additional FCC conditions not addressed in this agreement.

In exchange for this agreement, 360networks will immediately take all necessary steps to withdraw from or cease participation (directly or indirectly) in all pending CenturyLink/Qwest merger review dockets before the state regulatory commissions and the FCC, except to the extent

¹ Throughout, Qwest Corporation includes any successor entity operating in current Qwest territories.



participation is required to gain approval of this agreement, where required. Where permitted, this includes the withdrawal of interventions, pre-filed testimony, and any pending discovery. The parties also acknowledge that this agreement is not confidential and may need to be filed, or otherwise disclosed to state regulatory commissions or other parties in response to discovery requests or by commission rule or order. To the extent necessary to comply with the dictates of a given state filing convention, the parties agree to work cooperatively to convert or present this agreement in another format (e.g. in Motion format), as needed, so long as the substance of the agreement does not change.

Please confirm that this letter accurately describes your understanding and agreement to these terms by signing in the space provided below, and return the executed copy to my attention this afternoon via email if it meets with your approval.

I appreciate all your efforts and assistance in getting this worked out, and I look forward to continue to working with you in the future.

Best regards,

A handwritten signature in black ink, appearing to read "Michael R. Hunsucker".

Michael R. Hunsucker, Director - CLEC Management and Services, CenturyLink
(VP Wholesale Services & Support designee for post-merger company)
michael.hunsucker@centurylink.com

Confirmed as to content and Agreed to as to terms:

A handwritten signature in black ink, appearing to read "Michel Singer Nelson".

By: Michel Singer Nelson
Associate General Counsel
360networks (USA) inc.

APPENDIX B

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into this 6th day of November, 2010, by and among CenturyLink, Inc., a Louisiana Corporation ("CenturyLink"), and its affiliates, Qwest Communications International, Inc. ("QCI"), a Delaware Corporation, and its affiliates, including Qwest Corporation, Integra Telecom, Inc., an Oregon Corporation, and its affiliates (collectively "Integra" or "CLEC(s)") with operations in the state of Arizona, Colorado, Idaho, Minnesota, Montana, North Dakota, Oregon, Utah, and Washington, among others. To the extent that Integra becomes certified to do business or does business in Iowa, Nebraska, New Mexico, South Dakota, and Wyoming during the time periods covered by this Agreement, this Agreement will also apply. CenturyLink, QCI and Integra may be referred to collectively as the "Parties."

Whereas, CenturyLink and QCI have entered into an Agreement and Plan of Merger, dated April 21, 2010, which, upon completion, will result in QCI becoming a wholly owned subsidiary of CenturyLink ("Transaction").

Whereas, the Transaction requires the approval of the Federal Communications Commission ("FCC") and various state commissions in states where CenturyLink, QCI, or Integra operate, among other approvals.

Whereas, CenturyLink and QCI have filed applications for authorization to effectuate the Transaction at the FCC and in several states, including in the states of Arizona, Colorado, Iowa, Nebraska, Minnesota, Montana, Oregon, Utah, and Washington.

Whereas, Integra intervened in the state commission review proceedings in Arizona, Colorado, Minnesota, Montana, Oregon, Utah, and Washington, and filed or presented testimony expressing concerns related to the Transaction. Integra also made filings with the FCC raising similar concerns, objections, and proposed conditions and has presented its concerns regarding the Transaction to various Legislators.

Whereas, the Parties have reached a mutually agreeable settlement of Integra's concerns, objections, and proposed conditions regarding the Transaction such that Integra believes that with this Agreement, and without modification or addition to its terms, the Transaction is in the public interest from Integra's perspective and should be approved by the FCC and the state commissions.

In consideration of the mutual representations and covenants contained herein, the Parties hereby agree as follows:

A. Definitions:

“Closing Date” or “Merger Closing Date” refers to the closing date of the Transaction for which the Applicants have sought approval from the FCC and state commissions.¹

“Merged Company” refers to the post-merger company (CenturyLink and its operating companies, collectively, after the Closing Date).

“Operational Support Systems” or “OSS” are as defined by 47 CFR 51.319(g) and as interpreted in the rules and orders of the FCC.

“OSS Interfaces” are defined as existing or new gateways (including application-to-application interfaces and Graphical User Interfaces), connectivity and system functions that support or affect the pre-order, order, provisioning, maintenance and repair, and billing capabilities for local services (local exchange services) provided by CLECs to their end users.

“Qwest Corporation” and “Qwest” refer to Qwest Corporation and its successors and assigns.

B. Terms:

1. The Merged Company will not recover, or seek to recover through wholesale service rates or other fees paid by CLECs: a) one-time transition, branding, or any other transaction-related costs; b) any acquisition premium paid by CenturyLink for QCI; and c) any increases in overall management costs that result from the transaction, including those incurred by the operating companies. For purposes of this condition, “transaction-related costs” shall be construed to include all Merged Company costs related to or resulting from the transaction and any related transition, conversion, or migration costs and, for example, shall not be limited in time to costs incurred only through the Closing Date.
2. In the legacy Qwest ILEC service territory, the Merged Company shall comply with all wholesale performance requirements and associated remedy or penalty regimes for all wholesale services, including those set forth in regulations, tariffs, interconnection agreements, and Commercial agreements applicable to legacy Qwest as of the Merger Closing Date. In the legacy Qwest service territory, the Merged Company shall continue to provide to CLECs at least the reports of wholesale performance metrics that legacy Qwest made available, or was required to make available, to CLECs as of the Merger Closing Date,

¹ See *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc., d/b/a/ CenturyLink for Consent to Transfer of Control, Pleading Cycle Established*, Public Notice, DA 10-993, WC Dkt. No. 10-110 (rel. May 28, 2010) (“Public Notice”) and related applications filed in state proceedings.

or as subsequently modified or eliminated as permitted under this Agreement or pursuant to any changes in law. The Merged Company shall also provide these reports to state commission staff or the FCC, when requested. The state commission and/or the FCC may determine that additional remedies are required, to the extent a state commission or FCC finds it is consistent with its jurisdiction. The Merged Company does not waive its right to oppose such a request.

a. The Parties will not seek to reduce or modify the Qwest Performance Indicator Definition (PID) or Qwest Performance Assurance Plan (QPAP)² that is offered, or provided via contract or Commission approved plan, as of the Merger Closing Date for at least eighteen months after the Closing Date.³ After the eighteen month period, the Parties may seek modifications under the terms and conditions outlined in the QPAP. The Merged Company will not seek to eliminate or withdraw the QPAP for at least three years after the Closing Date. The QPAP will be available to all requesting CLECs unless the Merged Company obtains approval from the applicable state commission to eliminate or withdraw it.

i. For at least three years after the Closing Date, and consistent with the FCC's required conditions of the Embarq-CenturyTel merger, in the legacy Qwest ILEC service territory, the Merged Company shall meet or exceed the average wholesale performance provided by Qwest to CLEC, measured as follows:

- (a.) For the first three months after Closing Date, Qwest's performance will be compared to Qwest's performance for the twelve months prior to Closing Date.
- (b.) Thereafter, each successive month of Qwest's performance will be added to the three month period in (a.) in determining Qwest's performance until twelve months after Closing Date.
- (c.) Beginning one year after Closing Date, Qwest's performance will be measured by a rolling twelve month average performance.

b. If the Merged Company fails to provide wholesale performance levels as measured by the methodology described in this condition, the Merged Company must

² In Colorado, the QPAP is known as the CPAP. In Minnesota, the QPAP is known as the MPAP. These state-specific terms will be used in agreements filed in Colorado and Minnesota.

³ The limitations of paragraph 2.a do not apply to implementation of any decision arising from Colorado Docket No. 02M-259T. In addition, the parties agree not to initiate any further action in North Dakota Docket No. PU-08-04, until at least eighteen months after the Closing Date, however the Parties may implement any decision arising from that docket. Qwest will implement Idaho Order No. 32106 in Case No. QWE-T-08-04. The Parties agree, however, that they will jointly request that the Idaho Commission take no further action in that docket until at least eighteen months after the Closing Date.

conduct a root cause analysis for the discrepancies and develop proposals to remedy each deficiency within thirty days and provide this to CLEC for review and comment.

i. CLEC may invoke the root cause procedure for deterioration in wholesale performance for any PID, product, or disaggregation included within a PID measure if CLEC determines that the performance it received for that PID, product, or disaggregation is materially different and provides the basis for CLEC's determination.

ii. If performance deficiencies are not resolved, CLEC may request a resolution or wholesale service quality proceeding before the state commission. The Merged Company does not waive its right to oppose such a request.

3. Notwithstanding any provision allowing one or both parties to Qwest interconnection agreements, Commercial agreements, Wholesale agreements, interstate tariffs, and intrastate tariffs, and other wholesale agreements between Qwest Corporation or its successors and assigns and CLEC ("Extended Agreements") to terminate the Extended Agreement upon or after expiration of the term of the agreement, the Merged Company shall not terminate or grandparent, change the terms or conditions, or increase the rates of any Extended Agreements during the unexpired term or for at least the Applicable Time Period identified below, whichever occurs later (the "Extended Time Period"), unless required by a change of law, or CLEC requests or agrees in writing to a change and any applicable procedure to effectuate that change is followed. In the event that the Extended Agreement expressly allows termination of the agreement in other circumstances, such as default due to non-payment, this Condition does not preclude termination of an Extended Agreement in those circumstances provided that the Merged Company follows both (1) the Extended Agreement's express provisions, and (2) any applicable procedures pertaining to such termination. Upon approval of the Transaction with this Agreement in the public record, the Parties will consider these terms to be part of the order of approval and thus not trigger or require the filing of an ICA amendment, unless directed otherwise by the commissions or FCC. To the extent an amendment is requested, the Parties agree to execute and file an amendment to the ICA within 30 days of the Closing Date, the terms of which will mirror the language in this Agreement, unless mutually agreed otherwise.

- a. Interconnection Agreements. The Applicable Time Period for Qwest's interconnection agreements (ICAs) is at least thirty-six months after the Closing Date.⁴ The Extended Time Period applies whether or not the initial or current term has expired or is in evergreen status.

⁴ Notwithstanding anything that may be to the contrary in paragraphs 3.3a, and 4, in Colorado where a cost docket is nearing completion but may not be final as of the Closing Date, the rates established in Colorado cost docket

i. The Merged Company shall allow CLEC to use its pre-existing interconnection agreement as the basis for negotiating an initial successor replacement interconnection agreement to the extended ICA. Where the parties agree it is reasonable to do so, the parties may incorporate the amendments to the existing agreement into the body of the agreement used as the basis for such negotiations of the initial successor replacement interconnection agreement.

ii. CLEC may opt-in to an interconnection agreement in its initial term or the extended term.

iii. If Qwest and CLEC are in negotiations for a replacement interconnection agreement before the Closing Date, the Merged Company will allow CLEC to continue to use the negotiations draft upon which negotiations prior to the Closing Date have been conducted as the basis for negotiating a replacement interconnection agreement. In the latter situation (ongoing negotiations), after the Closing Date, the Merged Company will not substitute a negotiations template interconnection agreement proposal of any legacy CenturyLink operating company for the negotiations proposals made before the Closing Date by legacy Qwest.

b. Commercial Agreements. The Applicable Time Period for Commercial agreements is at least eighteen months after the Closing Date for Qwest's Commercial agreements (*i.e.*, offerings made available after a UNE(s) becomes unavailable via ICA): Broadband for Resale, Commercial Broadband Services (QCBS), Commercial Dark Fiber, High Speed Commercial Internet Service (HSIS), Local Services Platform (QLSP), Internetwork Calling Name (ICNAM), and Commercial Line Sharing, as well as any other Commercial agreement to which Qwest and CLEC were parties as of the Closing Date. Notwithstanding any provision to the contrary in this Agreement:

i. After the eighteen month period, Qwest reserves the right to modify rates.

ii. If a Commercial agreement later becomes unavailable on a going forward basis, the agreement will remain available to CLEC on a grandparented basis to serve CLEC's embedded base of customers already being served via services purchased under that Commercial agreement, subject to Qwest's right to modify

number 07A-211T will replace the corresponding rates in Qwest-CLEC Colorado ICAs as of the Closing Date for purposes of this paragraph 3; nor does the paragraph prevent implementation of the rates contemplated in paragraph 14.

rates, for at least eighteen months after Qwest has notified CLEC that the agreement is no longer available.

c. Wholesale Agreements. The Applicable Time Period for Wholesale agreements is at least eighteen months after the Closing Date for Qwest's Wholesale agreements (*i.e.*, offerings made available after a tariffed offering becomes unavailable via tariff): Wholesale Data Services Agreement (ATM, Frame Relay, GeoMax, HDTV-Net, Metro Optical Ethernet, Self-Healing Network, Synchronous Service Transport), as well as any other Wholesale agreement to which Qwest and CLEC were parties as of the Closing Date. Notwithstanding any provisions to the contrary in this Agreement:

i. After the eighteen month period, Qwest reserves the right to modify rates.

ii. If a Wholesale agreement later becomes unavailable on a going forward basis, the agreement will remain available to CLEC on a grandparented basis to serve CLEC's embedded base of customers already being served via services purchased under that Wholesale agreement for at least eighteen months after Qwest has notified CLEC that the agreement is no longer available, subject to Qwest's right to modify rates.

d. Tariffs. The Applicable Time Period is at least twelve months after the Closing Date for Qwest wholesale tariff offerings that CLEC ordered from Qwest via tariff as of the Closing Date. Notwithstanding any provision to the contrary in this Agreement, Qwest may engage in Competitive Response pricing as set forth in its tariffs.

i. Regarding term and volume discount plans, such plans offered by Qwest as of the Closing Date will be extended by twelve months beyond the expiration of the then existing term, unless CLEC indicates it opts out of this one-year extension.

ii. The Merged Company will honor any existing contracts for services on an individualized term pricing plan arrangement for the duration of the contracted term.

4. Rates Generally. The Merged Company, in paragraph 3, agrees not to increase the rates in Qwest interconnection agreements during the Extended Time Period⁵. If, during the

⁵ Notwithstanding anything that may be to the contrary in paragraphs 3, 3a, or 4, in Colorado where a cost docket is nearing completion but may not be final as of the Closing Date, the rates established in Colorado cost docket number 07A-211T will replace the corresponding rates in Qwest-CLEC Colorado ICAs as of the Closing Date for purposes of this paragraph; nor does the paragraph prevent implementation of the rates contemplated in paragraph 14.

Extended Time Period, the Merged Company offers a Section 251 product or service that is not offered under an interconnection agreement (a "new" product or service), the Merged Company may establish a rate using normal procedures. A product, service, or functionality is not "new" for purposes of this paragraph if Qwest was already providing that product, service, or functionality at existing rates as of the Closing Date in the legacy Qwest ILEC serving territory.

- a. Regarding rates changed via a state commission cost docket, the Merged Company may initiate a cost docket (or seek rate increases in a cost docket initiated by another party) before the expiration of the thirty-six month period for extension of ICA terms only if (i) the rate elements, charges or functionalities are not already provided under rates as of the Closing Date as described in paragraph 4; or (ii) the cost docket is not initiated until at least eighteen months after the Closing Date and any rates approved in the cost docket will not become effective until after expiration of the thirty-six month period for extension of ICA terms.
 - b. After the Closing Date, in the legacy Qwest ILEC serving territory, the Merged Company shall not assess any fees, charges, surcharges or other assessments upon CLECs for activities that arise during the subscriber acquisition and migration process other than any fees, charges, surcharges or other assessments that were approved by the applicable commission and charged by Qwest in the legacy Qwest ILEC service territory before the Closing Date, unless Qwest first receives Commission approval. This condition prohibits the Merged Company from charging such fees, charges, surcharges or other assessments, including:
 - i. Service order charges assessed upon CLECs submitting local service requests ("LSRs") for number porting;
 - ii. Access or "use" fees or charges assessed upon CLECs that connect a competitor's own self-provisioned loop, or last mile facility, to the customer side of the Merged Company's network interface device ("NID") enclosure or box; and
 - iii. "Storage" or other related fees, rents or service order charges assessed upon a CLECs' subscriber directory listings information submitted to the Merged Company for publication in a directory listing or inclusion in a directory assistance database.
5. In the legacy Qwest ILEC service territory, to the extent that an interconnection agreement is silent as to an interval for the provision of a product, service or functionality or refers to

Qwest's website or Service Interval Guide (SIG), the applicable interval, after the Closing Date, shall be no longer than the interval in Qwest's SIG as of the Closing Date. Either Party may request an amendment to the interconnection agreement to lengthen an interval after the thirty-six month period for extension of ICA terms.

6. CenturyLink and all of its incumbent local exchange carrier ("ILEC") affiliates will comply with 47 U.S.C. Sections 251 and 252. In the legacy Qwest ILEC service territory, the Merged Company will not seek to avoid any of its obligations on the grounds that Qwest Corporation is exempt from any of the obligations pursuant to Section 251(f)(1) or Section 251(f)(2) of the Communications Act.
7. In the legacy Qwest ILEC service territory, after the Closing Date, Qwest Corporation shall be classified as a Bell Operating Company ("BOC"), pursuant to Section 3(4)(A)-(B) of the Communications Act and shall be subject to all requirements applicable to BOCs, including Sections 271 and 272.
8. Qwest will not seek to reclassify as "non-impaired" any Qwest wire centers for purposes of Section 251 of the Communications Act, nor will the Merged Company file any new petition under Section 10 of the Communications Act seeking forbearance from any Section 251 or 271 obligation or dominant carrier regulation in any Qwest wire center before June 1, 2012.
9. The Merged Company shall provide to wholesale carriers, and maintain and make available to wholesale carriers on a going-forward basis, up-to-date escalation information, contact lists, and account manager information and will provide this information, when possible, thirty days prior to the Closing Date. If not possible, the Merged Company will provide the information within five business days, absent exigent circumstances. For changes to support center location, the Merged Company will provide at least thirty days advance written notice to wholesale carriers. For other changes, the Merged Company will provide reasonable notice, as circumstances permit, of the changes and will keep pertinent information timely updated. The information and notice provided shall be consistent with the terms of applicable interconnection agreements.
10. The Merged Company will make available to each wholesale carrier in the legacy Qwest ILEC service territory the types and level of data, information, and assistance that Qwest made available as of the Closing Date concerning Qwest's wholesale Operational Support Systems functions and wholesale business practices and procedures, including information provided via the wholesale web site (which Qwest sometimes refers to as its Product Catalog or "PCAT"), notices, industry letters, the change management process, and databases/tools (loop qualification tools, loop make-up tool, raw loop data tool, ICONN database, *etc.*).

11. The Merged Company shall ensure that Wholesale and CLEC operations are sufficiently staffed and supported, relative to wholesale order volumes, by personnel, including IT personnel, adequately trained on the Qwest and CenturyLink systems and processes. With respect to the Wholesale and CLEC operations, such personnel shall be dedicated exclusively to wholesale operations so as to provide a level of service that is not materially less than that which was provided by Qwest prior to the Merger Closing Date and to ensure that CLEC protected information is not used by the Merged Company's retail operations or marketing purposes. The Merged Company will employ people who are dedicated to the task of meeting the needs of CLECs and other wholesale customers.

12. In legacy Qwest ILEC service territory, after the Closing Date, the Merged Company will use and offer to wholesale customers the legacy Qwest Operational Support Systems (OSS) for at least two years, or until July 1, 2013, whichever is later, and thereafter provide a level of wholesale service quality that is not materially less than that provided by Qwest prior to the Closing date, including support, data, functionality, performance, electronic flow through, and electronic bonding. After the period noted above, the Merged Company will not replace or integrate Qwest systems without first establishing a detailed transition plan and complying with the following procedures:
 - a. *Detailed Plan.* The Merged Company will provide notice to the Wireline Competition Bureau of the FCC, the state commission of any affected state and parties to this agreement at least 270 days before replacing or integrating Qwest OSS system(s). Upon request, the Merged Company will describe the system to be replaced or integrated, the surviving system, and steps to be taken to ensure data integrity is maintained. The Merged Company's plan will also identify planned contingency actions in the event that the Merged Company encounters any significant problems with the planned transition. The plan submitted by the Merged Company will be prepared by information technology professionals with substantial experience and knowledge regarding legacy CenturyLink and legacy Qwest systems processes and requirements. CLEC will have the opportunity to comment on the Merged Company's plan in a forum in which it is filed, if the regulatory body allows comments, as well as in the Qwest Change Management Process.

 - b. *CMP.* The Merged Company will follow the procedures in the Qwest Change Management Process ("CMP") Document.⁶

⁶ The Qwest CMP Document is available at <http://www.qwest.com/wholesale/cmp/>

c. Replacement or Retirement of a Qwest OSS Interface.

i. The replacement or retirement of a Qwest OSS Interface may not occur without sufficient acceptance of the replacement interface by CLECs to help assure that the replacement interface provides the level of wholesale service quality provided by Qwest prior to the Closing Date (as described in paragraph 12 above). Each party participating in testing will commit adequate resources to complete the acceptance testing within the applicable time period. The Parties will work together to develop acceptance criteria. Testing will continue until the acceptance criteria are met. Sufficient acceptance of a replacement for a Qwest OSS Interface will be determined by a majority vote, no vote to be unreasonably withheld, of the CMP participants (Qwest and CLECs) in testing, subject to any party invoking the CMP's Dispute Resolution process. The requirements of this paragraph will remain in place only until completion of merger-related OSS integration and migration activity. If a dispute arises as to whether such merger-related OSS integration and migration activity is complete, the state commission will determine the completion date.

ii. The Merged Company will allow coordinated testing with CLECs, including a stable testing environment that mirrors production, jointly established test cases, and, when applicable, controlled production testing, unless otherwise agreed to by the Parties. Testing described in this paragraph associated with merger-related system replacement or integration will be allowed for the time periods in the CMP Document, or for 120 days, whichever is longer, unless otherwise mutually agreed to by the Parties.

iii. The Merged Company will provide the wholesale carriers training and education on any wholesale OSS implemented by the Merged Company without charge to the wholesale carrier.

d. Billing Systems. The Merged Company will not begin integration of Billing systems before the end of the minimum two year or July 1, 2013 period, whichever is longer, noted above, or without following the above procedures, unless the integration will not impact data, connectivity and system functions that support or affect CLECs and their customers. .

i. Any changes by the Merged Company to the legacy Qwest non-retail OSS will meet all applicable ICA provisions related to billing and, to the extent not included in an ICA, will be Ordering and Billing Forum (OBF) compliant.

13. After the Closing Date, the Merged Company will engineer and maintain its network in compliance with federal and state law, as well as the terms of applicable interconnection agreements.

- a. The Merged Company shall not engineer the transmission capabilities of its network in a manner, or engage in any policy, practice, or procedure, that disrupts or degrades access to the local loop, as provided by 47 C.F.R. § 51.319(a)(8).
- b. The Merged Company will retire copper in compliance with federal and state law, as well as the terms of applicable interconnection agreements and as required by a change of law.

14. No later than 30 days after the Closing Date, the Parties agree to amend its existing Qwest-CLEC interconnection agreements by executing the line conditioning amendment contained in Attachment A to this Agreement and by filing the amendment with the applicable state commissions. The terms of the amendment will be included in the ICAs between the Parties for the Extended Time Period contemplated in paragraph 3, unless required by a change in law. Notwithstanding anything to the contrary in this Agreement, the Parties agree to implement the rates, terms and conditions of the amendment upon execution and applicable commission approval of the amendment. The Parties agree to execute and file the amendment within 10 days of execution of this Agreement for Qwest-CLEC Minnesota ICAs and further agree to implement the terms of the amendment no later than January 15, 2011 in Minnesota. Upon execution of this Agreement, CLEC agrees that this amendment satisfies its concerns on line conditioning expressed in Minnesota Docket No. P-421/CI-09-1066 and that it will seek no further relief on this issue in that docket. Nothing in this Agreement precludes Qwest and CLEC from filing the Amendment for commission approval in any other state before the Closing Date, if Qwest and CLEC mutually agree to do so.

15. After fully executed, filed with and, where necessary, approved by a Commission, this Agreement will be made available to any requesting carrier. Additionally, if an order approving this transaction includes any condition not contained in this Agreement or includes provisions inconsistent with those contained in this Agreement, the Merged Company will make that condition or provision available to other carriers in that state upon request, to the extent applicable.

C. Process for Treatment of Agreement:

The Parties agree that this Agreement resolves all contested issues, objections, proposed conditions and other advocacy related specifically to this Transaction as between them. Integra agrees that this Agreement, without modification or addition, is in the public interest.

Consequently, from its perspective, Integra believes that the Transaction is in the public interest and should be approved by the FCC and state commissions. The Parties acknowledge that this Agreement is not confidential and further agree to the issuance of a joint press release announcing that an Agreement has been reached and that, in consideration of this Agreement, approval of the Transaction is in the public interest from Integra's perspective. The Parties further agree to immediately notify the FCC and the state commissions upon execution that this Agreement has been reached and will provide a courtesy copy of this Agreement. This Agreement shall be filed with the state commissions in the states of Arizona, Colorado, Minnesota, Montana, Oregon, Utah and Washington⁷ and any other states where required, within five business days of execution. Integra further commits that, upon request of CenturyLink and QCI, that within 10 days of execution, a representative of Integra with knowledge of this Agreement will accompany CenturyLink and QCI to meetings at the FCC or with members of Congress or their staff to explain that this Agreement, without modification or addition, is in the public interest from Integra's perspective and the Transaction should be approved.

Where testimony filed by one or both of the Integra witnesses has not yet been admitted into evidence and the procedural schedule and rules of a regulatory body permit, Integra will seek leave to withdraw or not submit into the evidentiary record the prefiled testimony of the Integra witnesses in that state, subject to Integra's right to file or re-file testimony as provided in this Agreement. Integra agrees it will represent that this Agreement adequately addresses its concerns and proposed conditions contained in its pre-filed testimony and will represent that, from its perspective, with this Agreement, the Transaction is in the public interest and should be approved. Furthermore, if required by a regulatory body or requested by CenturyLink, Integra will provide a witness to support this Agreement and will testify that with this Agreement, without modification, approval of the Transaction as in the public interest from its perspective. To the extent required by a regulatory body, Integra also agrees to provide such other information in support of this Agreement and approval of the Transaction. No Party to this Agreement will engage in any advocacy (directly or indirectly) contrary to this Agreement. Integra will not advocate for any other party's proposed wholesale conditions or opposition to the Transaction before any regulatory body, or otherwise, except as provided for in this Agreement regarding modification, rejection, or enforcement of this Agreement. Integra will no longer retain QSI Consultants, or any other consultant, as consultants or witnesses in a proceeding reviewing the Transaction after the date this Agreement is executed and filed in that proceeding, unless this Agreement is modified over Integra's objection or rejected. To the extent the consultants, witnesses, and outside counsel represent other intervenors before the FCC and the state commissions, Integra will inform them, as well as the FCC and those state commissions, that they are no longer representing Integra, nor advocating for Integra's positions, unless otherwise retained, at Integra's option, consistent with Integra's obligation under this Agreement.

⁷ To the extent necessary to comply with a given state filing convention, the Parties agree to work cooperatively to present this Agreement in the appropriate format, without change in content.

In the event any portion of this Agreement is rejected or altered by a state regulatory body, Integra may submit or re-submit its pre-filed testimony in that jurisdiction. In the event this Agreement is modified or rejected, each Party reserves its right, upon written notice to the Commission and the parties within five (5) business days of the Commission's Order modifying or rejecting this Agreement, to withdraw from this Agreement as to that particular state, with the effect of respectfully requesting the Commission decide all contested issues based on the record, including any testimony that had been withdrawn or not filed due to the execution of this Agreement.

D. Entire Agreement:

This Agreement constitutes the Parties' entire agreement on all matters set forth herein, and it supersedes any and all prior oral and written understandings or agreements on such matters that previously existed or occurred in any proceeding related to this Transaction, and no such prior understanding or agreement or related representations shall be relied upon by the Parties.

E. Agreement As Precedent:

The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty and delay. Nothing in this Agreement (or any testimony, presentation or briefing in any proceeding to approve the Transaction) shall be asserted or deemed to mean that a Party agreed with or adopted another Party's legal or factual assertions related to this Transaction. The limitations in this paragraph shall not apply to any proceeding to enforce the terms of this Agreement or any commission order adopting this Agreement in full, as appropriate.

Furthermore, because this Agreement represents a compromise position of the Parties no Party may use this Agreement as precedent on the appropriateness of the positions of that other Party or of other intervenors in any other proceeding and no conduct, statements or documents disclosed in the negotiation of this Agreement (not including non-privileged, publicly available documents) shall be admissible as evidence in any other proceeding.

F. Effective Date:

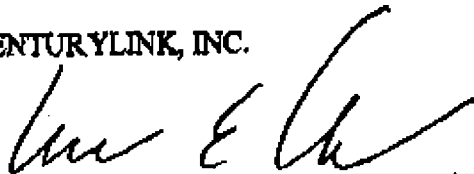
This Agreement is effective upon execution, however, the Settlement Terms contained in Section B shall not become effective unless and until the Transaction closes. If the Transaction does not close, this Agreement and Settlement Terms are null and void.

G. Manner of Execution:

This Agreement is considered executed when all Parties sign this Agreement. A designated and authorized representative may sign this Agreement on a Party's behalf. The Parties may execute this Agreement in counterparts. If this Agreement is executed in counterparts, all counterparts shall constitute one agreement. A faxed or scanned and emailed signature page containing the signature of a Party is acceptable as an original signature page signed by that Party. Each Party shall indicate the date of its signature on this Agreement.

Dated this 6th day of November 2011.

CENTURYLINK, INC.



By: William E. Cheek, President Wholesale Operations
Dated:

QWEST COMMUNICATIONS INTERNATIONAL, INC.

By: R. Steven Davis,
Senior Vice President—Public Policy & Government Relations
Dated:

INTEGRA TELECOM, INC.

By: James H. Huesgen, President
Dated:

G. Manner of Execution:

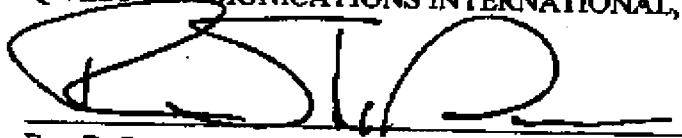
This Agreement is considered executed when all Parties sign this Agreement. A designated and authorized representative may sign this Agreement on a Party's behalf. The Parties may execute this Agreement in counterparts. If this Agreement is executed in counterparts, all counterparts shall constitute one agreement. A faxed or scanned and emailed signature page containing the signature of a Party is acceptable as an original signature page signed by that Party. Each Party shall indicate the date of its signature on this Agreement.

Dated this 6th day of November 2011.

CENTURYLINK, INC.

By: William E. Check, President Wholesale Operations
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QWEST COMMUNICATIONS INTERNATIONAL, INC.



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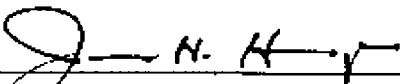
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Attachment A to Settlement Agreement:

**Unbundled Loops Used to Provide xDSL Services Amendment
to the Interconnection Agreement between
Qwest Corporation and
[CLEC] for the State of [State]**

This is an Amendment ("Amendment") to the Interconnection Agreement between Qwest Corporation ("Qwest"), a Colorado corporation, and [insert CLEC name] ("CLEC"). Qwest and CLEC shall be referred to jointly as the "Parties."

RECITALS

WHEREAS, the Parties entered into an Interconnection Agreement ("Agreement") in the state of [insert state], which was approved by the Commission;

WHEREAS, the Parties agree to amend the Agreement further under the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Amendment Terms

The Agreement is hereby amended by adding terms and conditions relating to xDSL Capable Loops, as set forth in Attachments 1-3 and Exhibit A to this Amendment, attached hereto and incorporated herein by this reference. The Parties agree the terms in this document are for the limited purposes of this Amendment. CLEC and Qwest reserve their rights to assert different language and/or term(s) in other contexts.

Qwest and CLEC agree that, in the new (replacement or successor) interconnection agreement between Qwest and CLEC, the language in Attachments 1-3 and Exhibit A will be added as closed (*i.e.*, agreed upon) language to the interconnection agreement that is submitted in a compliance filing for Commission approval in [insert State]. Integra agrees to add the closed language reflected in Attachments 1-3 and Exhibit A to the Qwest-CLEC negotiations multi-state interconnection agreement negotiations draft.

Qwest will restore Asymmetric Digital Subscriber Line ("ADSL"), including the NC code of LXR-, which Qwest previously grandparented. Qwest will reverse changes made via its Change Request ("CR") (CR #PC121106-1). Qwest will not re-notify or implement the changes initially announced in its March 13, 2009 notice (PROS.03.13.09.F.06150.LoopQualCLECJobAid_V25) that Qwest did not implement (but indicated in its April 3, 2009 Response it will re-notify). Qwest will not take actions, or make statements in notices to CLECs, that are inconsistent with Qwest's obligation, under 47 C.F.R. § 51.319(a)(8), to not engineer the transmission capabilities of its network in a manner, or engage in any policy, practice, or procedure, that disrupts or degrades access to the local loop.

Intrabuilding cable is not addressed in this Amendment. CLEC and Qwest reserve their rights with respect to intrabuilding cable.

Effective Date and Implementation Date

This Amendment shall be deemed effective upon approval by the Commission; however, the Parties agree to begin implementation of the provisions of this Amendment upon execution.

Further Amendments

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Except as provided in the Agreement, this Amendment may not be further amended or altered, and no waiver of any provision thereof shall be effective, except by written instrument executed by an authorized representative of both Parties.

Entire Agreement

Other than the publicly filed Agreement and its Amendments, Qwest and CLEC have no agreement or understanding, written or oral, relating to the terms and conditions of Attachments 1-3 and Exhibit A in the State of insert state.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

CLEC

Qwest Corporation

Signature

Signature

Name Printed/Typed

L. T. Christensen

Name Printed/Typed

Title

Director - Wholesale Contracts

Title

Date

Date

ATTACHMENT 1

NOTE: The numbering in this Attachment 1 (which may not be consecutive) is used as a convenience to the Parties and may not be related to the numbering of the remainder of the Agreement.

2.0 Interpretation and Construction

2.3 Unless otherwise specifically determined by the Commission, in cases of conflict between the Agreement and Qwest's Tariffs, PCAT, methods and procedures, technical publications, policies, product notifications or other Qwest documentation relating to Qwest's or CLEC's rights or obligations under this Agreement, then the rates, terms and conditions of this Agreement shall prevail. To the extent another document abridges or expands the rights or obligations of either Party under this Agreement, the rates, terms and conditions of this Agreement shall prevail.

4.0 Definitions

Defined terms used but not defined in this Amendment are as defined in the Agreement. To the extent that a term is defined in both the Agreement and Section 4.0 of this Amendment, the definition in the Agreement is deemed deleted, and that definition is replaced with the definition in this Section 4.0 of this Amendment, unless the definition below indicates otherwise.

For purposes of the Agreement and this Amendment, the following terms are defined as follows:

"ADSL Compatible Loop" means the unbundled Loop complies with technical parameters of the specified Network Channel/Network Channel Interface codes as specified in the relevant technical publications and industry standards for Asymmetric Digital Subscriber Line ("ADSL"), which is further described in the definition of Digital Subscriber Loop. Qwest makes no assumptions as to the capabilities of CLEC's Central Office equipment or the Customer Premises Equipment.

"Best Available Pair" means, for facilities assignment purposes, the Loop that has the least Estimated Measured Loss ("EML") and that is assigned taking into account the least amount of Conditioning, as described in Section 9.2.2.3.5.1.

"Bridged Tap" means the unused sections of a twisted pair subtending the Loop between the end user customer and the Serving Wire Center or extending beyond the end user customer. Regarding stub cable, see Section 9.2.2.3.5.2.5.1.1.1.

"Condition" or "Conditioning" has the meaning set forth in 47 C.F.R. §51.319 and as interpreted in the rules and orders of the Federal Communications Commission ("FCC"). Conditioning includes when Qwest dispatches personnel and removes at least load coils, low pass filters, range extenders, any single Bridged Tap(s) greater than 2000 feet, total Bridged Tap(s) greater than 2500 feet, any Near-End Bridged Tap(s), and any Far-End Bridged Tap(s) from a

copper unbundled Loop or Subloop. Different rates and terms apply to Remove All Conditioning, as that term is defined in this Amendment.

"Digital Subscriber Loop," "DSL," "xDSL," or "xDSL Service" refers to a set of service-enhancing copper technologies that are designed to provide digital services over copper Loops or Subloops either in addition to or instead of analog voice service including, but not limited to, the following types of xDSL Service, and successor or successive (e.g., HDSL, HDSL2, HDSL4) technologies:

"ADSL" or "Asymmetric Digital Subscriber Line" is a Passband digital Loop transmission technology that typically permits the transmission of up to 8 Mbps downstream (from the Central Office to the End User Customer) and up to 1 Mbps digital signal upstream (from the End User Customer to the Central Office) over one (1) copper pair.

"ADSL2" and ADSL2+" refer to technologies that extend the capability of ADSL in data rates up to 24 Mbit/s downstream and 3.5 Mbit/s upstream. ADSL2+ may achieve rates of 24 Mbps on telephone lines as long as 5,000 feet. ADSL2+ solutions will interoperate with ADSL and ADSL2, as well as with ADSL2+. ADSL2 is based on ITU standard G.992.3, and ADSL2+ is based on ITU standard G.992.5.

"HDSL" or "High-Data Rate Digital Subscriber Line" is a synchronous baseband DSL technology operating over one or more copper pairs. HDSL can offer 784 Kbps circuits over a single copper pair, T1 service over two (2) copper pairs, or future E1 service over three (3) copper pairs.

"HDSL2" or "High-Data Rate Digital Subscriber Line 2" is a synchronous baseband DSL technology operating over a single pair capable of transporting a bit rate of 1.544 Mbps.

HDSL4" or "High-Data Rate Digital Subscriber Line 4" is a synchronous baseband DSL technology operating over two copper pairs and is capable of transporting an aggregate bit rate of 1.544. This transport offers extended reach in comparison to HDSL2.

"ISDL" or "ISDN Digital Subscriber Line" or "Integrated Services Digital Network Digital Subscriber Line" is a symmetrical, baseband DSL technology that permits the bi-directional transmission of up to 128 Kbps using ISDN CPE but not circuit switching.

"RADSL" or "Rate Adaptive Digital Subscriber Line" is a form of ADSL that can automatically assess the condition of the Loop and optimize the line rate for a given line quality.

"SDSL" or "Symmetric Digital Subscriber Line" is a baseband DSL transmission technology that permits the bi-directional transmission from up to 160 kbps to 2.048 Mbps on a single pair.

"SHDSL" or "Single-Pair High Speed DSL" provides for sending and receiving high-speed symmetrical data streams over a single pair of copper wires. The SHDSL payload may be 'clear channel' (unstructured), T1 or E1 (full rate or fractional), multiple ISDN Basic Rate Access (BRA), Asynchronous Transfer Mode (ATM) cells, or Ethernet packets.

"G.SHDSL" or "Symmetric High Bit Rate DSL" features symmetrical data rates from 192 kbit/s to 2,304 kbit/s of payload in 64 kbit/s increments per pair. "E.SHDSL" or "Extended Single-Pair High Speed DSL" offers symmetrical data rates of up to 5,696 kbit/s in 64k increments per a pair. SHDSL is based on ITU standard G.991.2 with additional coverage of E.SHDSL in 802.3ah.

"VDSL" or "Very High Speed Digital Subscriber Line" is a baseband DSL transmission technology that permits the transmission of up to 52 Mbps downstream (from the Central Office to the End User Customer) and up to 2.3 Mbps digital signal upstream (from the End User Customer to the Central Office). VDSL can also be 26 Mbps symmetrical, or other combination.

"Embedded Base xDSL Capable Loop" refers to an xDSL Capable Loop (including ADSL Compatible Loop and Non-Loaded Loop) installed for CLEC before the Final Implementation Date of this Amendment.

"Estimated Measured Loss" or "EML" is an estimate based on a mathematical formula or algorithm and individual Loop make up. EML estimates how a requested Loop is likely to perform at the applicable specifications for a specified xDSL Service. EML is used to calculate insertion loss for various xDSL technologies based on Loop make up information in Qwest records. EML is described further in Section 9.2.2.3.5.1.

"Far-End" and/or "Near-End" Bridged Tap means Bridged Tap within 1,000 feet of the end user customer location or within 1,000 feet of the main distribution frame in the Central Office.

"LXR- xDSL Capable Loop" means an xDSL Capable Loop that is associated with the NC Code of "LXR-," including the codes identified with a Qwest LXR- NC code in Attachment 2 to this Amendment. LXR- xDSL Capable Loops include Loops with any of the NCI codes used in association with an LXR- NC code to identify the type of xDSL Service.

"Near-End" Bridged Tap – See Far-End and/or Near-End Bridged Tap

"Network Channel" or "NC" codes identify the technical details of channels provided by a Carrier, from the Point of Termination (POT) at another Carrier's Point of Presence (POP) to the central office.

"Network Channel Interface" or "NCI" codes identify interface elements such as physical conductors, protocol, impedance, protocol options, and transmission level points that reflect physical and electrical characteristics located at a POT at the switch or customer location. The NCI code communicates to Qwest the character of the signals CLEC is connecting to the network at each end-point of the metallic circuit. The NCI code tells Qwest of CLEC's specific technical requirements at a network interface. The NCI code indicates the type of xDSL Service to be deployed on the requested Loop or Subloop.

"Non-Embedded Base xDSL Capable Loop" refers to an xDSL Capable Loop (including ADSL Compatible Loop and Non-Loaded Loop) installed for CLEC on or after the Final Implementation Date of this Amendment.

"Performance Parameter Tests" means the threshold tests that Qwest will perform for Loops and Subloops used to provide xDSL Services, as set forth in Sections 9.2.2.3.5.3.1 and 9.2.2.3.5.4.2 of this Amendment.

"Remove All Conditioning" means Qwest dispatches personnel and removes all Bridged Taps, as well as any load coils, low pass filters, and range extenders, from a copper unbundled Loop or Subloop.

"xDSL Capable Loop" refers to 2-wire and 4-wire copper Loop(s) and copper Subloop(s) that transmit the digital signals needed to provide xDSL Service. Unbundled digital Loops may be provided using a variety of transmission technologies pursuant to the Agreement. For purposes of this Amendment, "xDSL Capable Loops" is used to refer specifically to Loops and Subloops used to provide narrowband or broadband services (or both) to customers served by copper Loops and Subloops (including those that are in active service and those that are deployed in the network as spares).

"xDSL Service" – See definition above for Digital Subscriber Loop.

9.0 Unbundled Network Elements

9.2.2.3.5 xDSL Capable Loops

9.2.2.3.5.1 Assignment of Facilities - xDSL Capable Loops. Qwest will assign facilities for xDSL Capable Loops using the criteria described in this Section.

9.2.2.3.5.1.1 Qwest will take into account the NC code and the NCI code when assigning facilities for xDSL Capable Loops.

9.2.2.3.5.1.2 For Loops 4,000 feet in length or longer, Qwest will assign the Best Available Pair using the criteria described in this Section.

9.2.2.3.5.1.2.1 Qwest will calculate Estimated Measured Loss ("EML") and assign Loops based on least EML. Qwest will calculate EML in each case using the following steps with respect to Conditioning assumptions:

9.2.2.3.5.1.2.1.1 First, Qwest will assume no Conditioning is needed. Second, if no qualifying Loop is otherwise available and CLEC pre-approved Conditioning, Qwest will re-calculate EML assuming Conditioning is needed. Finally, if no qualifying Loop is otherwise available and CLEC pre-approved Remove All Conditioning, Qwest will re-calculate EML assuming Remove All Conditioning is needed.

9.2.2.3.5.1.2.1.2 CLEC's pre-approval of Conditioning will not have any negative impacts on CLEC's service request. Qwest will still attempt to locate and assign facilities that do not require

Conditioning or, when Conditioning is needed, require the least amount of Conditioning.

9.2.2.3.5.1.2.2 In the case of each Loop assigned, Qwest will provide the EML used by Qwest to assign the Loop to CLEC on the Design Layout Record ("DLR").

9.2.2.3.5.1.2.3 For EML purposes, Qwest will measure insertion loss at 196 kHz (except ISDN BRI), as described in this Section. The maximum dB loss parameters used for EML purposes will vary by type of xDSL Service as follows:

9.2.2.3.5.1.2.3.1 For LXR- xDSL Capable Loops, including ADSL and ADSL2+:
EML \leq 81 dB (i.e., 78 dB +3db) at 196 kHz; maximum loss of 81 dB

9.2.2.3.5.1.2.3.2 For 2-wire LX-N xDSL Capable Loops, including HDSL2, G.SHDSL, and E.SHDSL - NCI codes of 02QB9.00H and 02QB5.00G:
EML \leq 31dB (i.e., 28 dB +3db) at 196 kHz; maximum loss of 31 dB

9.2.2.3.5.1.2.3.3 For 4-wire LX-N xDSL Capable Loops, including HDSL4 and G.SHDSL - NCI codes of 04QB9.00H, 04QB5.00G, and 04QB9.00F:
EML \leq 34dB (i.e., 31 dB +3db) at 196 kHz; maximum loss of 34 dB

9.2.2.3.5.1.2.3.4 For ISDN BRI, with NC/NCI codes of LX-N 02QC5.OOS:
EML \leq 40 dB at 40 kHz; maximum loss of 40 dB

9.2.2.3.5.1.2.3.5 For all other LX-N xDSL Capable Loops, including Spectrum Management Classes 1-9, Qwest will assign the Best Available Pair using EML measured at 196 kHz (without a maximum dB loss level), except as described in Section 9.2.2.3.5.1.5. A Loop that fails EML or Actual Measured Loss ("AML") for the xDSL Services identified in Sections 9.2.2.3.5.1.2.3.1-9.2.2.3.5.1.2.3.3 may meet EML and/or AML for the xDSL Services identified in this Section 9.2.2.3.5.1.2.3.5.

9.2.2.3.5.1.3 For Loops shorter than 4,000 feet, Qwest will assign facilities using the criteria described in this Section.

9.2.2.3.5.1.3.1 If the facilities available for assignment to the same location do not all have the same cable gauge, Qwest will assign the Best Available Pair pursuant to the criteria in Section 9.2.2.3.5.1.2.

9.2.2.3.5.1.3.2 If the facilities available for assignment all have the same

cable gauge, Qwest will assign any pair in the cross box and terminal, subject to Section 9.2.2.3.5.1.3.3.

9.2.2.3.5.1.3.3 If CLEC requests multiple Loops to the same location, all Loops will have the same Loop make-up, including Loop lengths.

9.2.2.3.5.1.3.3.1 If Loops having the same Loop make-up are not available for all of the multiple Loops to the same location, Qwest will assign as many of these Loops as possible with the same Loop make-up, including Loop lengths. For remaining Loops shorter than 4,000 feet, if any, Qwest will assign any pair in the cross box and terminal.

9.2.2.3.5.1.4 Loops and Subloops that require Conditioning, as well as Loops and Subloops that fail EML, fall out of the automatic facilities assignment process. Qwest will follow the manual steps for copper loop assignment, as applicable.

9.2.2.3.5.1.4.1.1 If, after the manual steps for copper loop assignment and Conditioning, no loop meets the criteria described above for facilities assignment, Qwest will validate that there is no such loop. Qwest will notify CLEC using the jeopardy notification process. CLEC may supplement its service request either to modify it or to cancel it. If CLEC does not supplement its service request, Qwest will cancel it consistent with the held order terms in the Agreement.

9.2.2.3.5.1.4.1.2 Regarding Subloops generally, to the extent that processes and procedures for Subloops are different from, or more manual than, the processes and procedures for Loops, the Parties will work together to develop mutually agreeable processes for Subloops.

9.2.2.3.5.1.5 For Non-Embedded Base xDSL Capable Loops, Qwest will not assign any Loop that exceeds a length of 18,000 feet for LXR- xDSL Capable Loops or 22,000 feet for LX-N xDSL Capable Loops. If, however, changes in technologies or industry standards occur that allow CLEC to reasonably use Loops in excess of one or both of these Loop lengths for providing advanced services, Qwest will assign xDSL Capable Loops in excess of the affected Loop length(s) consistent with those standards when requested by CLEC.

9.2.2.3.5.2 Conditioning - xDSL Capable Loops.

9.2.2.3.5.2.1 CLEC may indicate on its service request that it pre-approves Conditioning (Conditioning, and/or Remove All Conditioning) in the event Conditioning is necessary. Upon CLEC pre-approval or approval of Conditioning (except as provided in Section 9.2.2.3.5.2.3), and only if Conditioning is necessary, Qwest will dispatch personnel to Condition the Loop.

9.2.2.3.5.2.1.1 If CLEC pre-approves Remove All Conditioning and Qwest performs Remove All Conditioning, Qwest will bill only one charge

(the Remove All Conditioning charge) for Conditioning, even though CLEC may also have pre-approved Conditioning on its service request.

9.2.2.3.5.2.1.2 If CLEC has not pre-approved Conditioning, Qwest will obtain CLEC's consent prior to undertaking any Conditioning efforts, except in the scenario described in Section 9.2.2.3.5.2.3.

9.2.2.3.5.2.1.3 See Section 9.2.2.3.5.1.2.1.2 regarding pre-approval and facilities assignment.

9.2.2.3.5.2.2 Remove All Conditioning During Loop Delivery and Acceptance, When Requested by CLEC but Not Pre-Approved. (After service order completion, see Sections 9.2.2.3.5.2.4 and 9.2.2.3.5.4 regarding Repair.)

9.2.2.3.5.2.2.1 If CLEC does not indicate on its initial service request that it pre-approves Remove All Conditioning and then, during Loop delivery and acceptance (e.g., upon receiving test results), CLEC requests Remove All Conditioning, if the Qwest technician is still available (so that an additional dispatch is not required), Qwest will perform Remove All Conditioning, and CLEC will pay only the Remove All Conditioning charge for Conditioning.

9.2.2.3.5.2.2.1.1 Qwest will use the Provider Initiated Activity ("PIA") field on the Firm Order Confirmation ("FOC") to communicate changes Qwest made to the service order that are different from what CLEC requested on the service request (i.e., to indicate Remove All Conditioning).

9.2.2.3.5.2.2.1.2 No CLEC service request, supplement, or supplemental service request is required in this circumstance.

9.2.2.3.5.2.2.2 Alternatively (or if the terms of Section 9.2.2.3.5.2.2.1 are not met), if CLEC does not indicate on its initial service request that it pre-approves Conditioning or Remove All Conditioning and then, during Loop delivery and acceptance, CLEC desires such conditioning, CLEC may elect to supplement its service request to request the desired conditioning.

9.2.3.5.2.2.3 If CLEC pre-approves Conditioning but not Remove All Conditioning and Qwest performs Conditioning, Qwest may charge CLEC for both Conditioning and Remove All Conditioning if: (1) Qwest performs Conditioning, (2) the scenario described in Section 9.2.2.3.5.3.2 does not apply, and (3) CLEC later requires Qwest to perform another dispatch and perform Remove All Conditioning.

9.2.2.3.5.2.3 Remove All Conditioning During Loop Delivery and Acceptance, When Not Approved. (After service order completion, see Sections 9.2.2.3.5.2.4 and 9.2.2.3.5.4 regarding Repair). In the single scenario described in this Section, Qwest may perform and charge CLEC for Remove All Conditioning, even though CLEC has neither pre-approved nor approved Remove All Conditioning. In this scenario, Qwest will charge only one charge (the Remove

All Conditioning charge) for Conditioning.

9.2.2.3.5.2.3.1 The no approval for Remove All Conditioning situation may occur only after both (1) CLEC has pre-approved Conditioning (or, if it did not pre-approve it, CLEC has supplemented its service request to approve it after receiving a jeopardy or reject notice indicating Conditioning is required), and (2) Qwest has performed Conditioning, but such Conditioning does not bring the loop within the applicable dB level and therefore Remove All Conditioning is required to meet the applicable dB level.

9.2.2.3.5.2.3.2 If during Loop delivery and acceptance Qwest conducts the Performance Parameter Tests or other tests as described in Section 9.2.2.3.5.3.1 and, even though the applicable EML was achieved during facilities assignment, actual testing shows that the applicable dB level (as set forth in Section 9.2.2.3.5.4.3 and Attachment 3) cannot be achieved without Remove All Conditioning (i.e., removal of Bridged Taps would bring the Loop within the applicable dB level), Qwest may perform and charge CLEC for Remove All Conditioning, even though CLEC has neither pre-approved nor approved Remove All Conditioning.

9.2.2.3.5.2.3.3 In the scenario described in Section 9.2.2.3.5.2.3.2, if CLEC has enrolled in Provider Test Access ("PTA"), within three (3) business days, Qwest will provide before and after test results in writing to CLEC which confirm that Remove All Conditioning was required to bring the Loop within the applicable dB level. Qwest will provide the before and after test results via PTA, so that CLEC may access them electronically. If Qwest fails to provide complete written before and after test results as described in this Section within three (3) business days, Qwest shall not charge CLEC for performing Remove All Conditioning.

9.2.2.3.5.2.4 Conditioning During Repair.

9.2.2.3.5.2.4.1 CLEC may request Conditioning or Remove All Conditioning when submitting a trouble report. No CLEC service request, supplement, or supplemental request is required. Qwest will apply the applicable charges for conditioning, using the rates in Exhibit A to this Amendment.

9.2.2.3.5.2.4.1.1 When Qwest performs Remove All Conditioning during Repair, Qwest will attempt to condition the Loop and clear the trouble within four (4) hours of receipt of the trouble report, except as provided in Section 9.2.2.3.5.2.5.1.2.1. When Qwest performs Remove All Conditioning during Repair, the 4-hour Repair commitment time described in Section 9.2.2.3.5.4.5 does not apply, however. In addition, CLEC's trouble report will be excluded from MR-5 (All Troubles Cleared Within 4 Hours) in the Performance Indicator Definitions (PIDs) in Exhibit B to the Agreement. Qwest will code Remove All Conditioning to an excluded code, which does not identify CLEC or CLEC's customer as the cause of the trouble.

9.2.2.3.5.2.4.2 Because Embedded Base xDSL Capable Loops, by definition, were installed before the Final Implementation Date of this Amendment, Conditioning will occur in the context of Repair for Embedded Base xDSL Capable Loops.

9.2.2.3.5.2.5 Exclusions. If an Exclusion pursuant to Section 9.2.2.3.5.2.5.1.1 applies, Qwest will notify CLEC of the Exclusion via jeopardy notice, reject notice, or Customer Electronic Maintenance and Repair (CEMR) (or successor system), as applicable, and CLEC may elect to request a different Loop. (If no compatible Loop is available, see Section 9.2.2.3.5.1.4.1.1.) If an Exclusion pursuant to Section 9.2.2.3.5.2.5.1.2 applies, Qwest may not reject the request and must perform Remove All Conditioning, but the charge may vary as described in Section 9.2.2.3.5.2.5.1.2.1. If a dispute arises as to whether an Exclusion applies, Qwest bears the burden of proof.

9.2.2.3.5.2.5.1 Notwithstanding anything that may be to the contrary in this Amendment, the following Exclusions apply to Conditioning, subject to Section 9.2.2.3.5.2.5.2.

9.2.2.3.5.2.5.1.1 Exclusions to Conditioning. Qwest is not required to remove the following Stub Cable or Bridged Taps, unless Qwest removes them for itself or its retail customers:

9.2.2.3.5.2.5.1.1.1 Stub Cable. Stub Cable is short lengths (not to exceed 50 feet) of cable that may have been placed in feeder or distribution plant for ease of future additions or changes. Cable or other plant identified as Bridged Tap in Qwest Loop make up records is not Stub Cable for purposes of this Amendment, unless Qwest promptly provides CLEC with mutually agreeable verifying documentation that demonstrates that the device is Stub Cable as described in this Section 9.2.2.3.5.2.5.1.1.1 and is not Bridged Tap (*i.e.*, the Loop make up records are inaccurate).

9.2.2.3.5.2.5.1.1.2 Bridged Tap in Inaccessible Plant – Buried. Inaccessible Plant – Buried means a Direct Buried Splice Enclosure that it is not technically feasible to access.

9.2.2.3.5.2.5.1.1.3 Bridged Tap in Inaccessible Plant – Safety. Inaccessible Plant – Safety means specific plant for which access has been restricted on safety grounds by a regulatory agency, such as the Occupational Safety and Health Administration (“OSHA”), or by a Commission or court order addressing the specific plant in issue. If Qwest has a permit to access the plant, with no safety restriction, the plant is not excluded as inaccessible. In the event of an emergency that does not fall within this description but poses safety dangers to personnel, Qwest and CLEC will

work together to resolve the issue on a case-by-case basis.

9.2.2.3.5.2.5.1.2 Exclusions to Performing Remove All Conditioning for the Remove All Conditioning rate set forth in Exhibit A. When the following circumstances exist, Qwest will perform Remove All Conditioning and charge for it as follows:

9.2.2.3.5.2.5.1.2.1 More Than Eight (8) Hours of Qwest Technician Time. If more than eight (8) hours of technician time is required to perform Remove All Conditioning, Qwest will provide CLEC with a description of work and not-to-exceed quotation for charges for Qwest technician time in excess of eight (8) hours in Qwest's response to CLEC's service request or trouble report. Qwest will provide the quotation as soon as reasonably possible but no later than within four (4) business days of receiving CLEC's service request or within one (1) business day of receiving CLEC's trouble report. To the extent that Qwest incurs fees for permits that are exclusive to CLEC's request for Remove All Conditioning and under which Qwest will perform no other activity, Qwest may include the amount of the permitting fee(s) in the quotation, provided Qwest also provides documentation of the permitting fee use and expense to CLEC. If CLEC accepts the quotation and Qwest performs Remove All Conditioning, Qwest may charge CLEC for the Remove All Conditioning rate described in Exhibit A to this Amendment, technician time in excess of eight (8) hours at the applicable half hourly rate in Exhibit A to the Agreement, and such documented permitting fees, if any.

9.2.2.3.5.2.5.2 The Exclusions in Section 9.2.2.3.5.2.5 are intended to be narrow exclusions that occur relatively rarely. The Parties have agreed to the negotiated terms in this Amendment, including the rates in Exhibit A, in part based on this assumption made by both Parties.

9.2.2.3.5.2.5.2.1 Regarding the Exclusions pursuant to Section 9.2.2.3.5.2.5.1.1, if after implementation of this Amendment this assumption is inconsistent with actual practice, the Parties reserve the right to request amendment of the Agreement, including changes to the rates, terms, and conditions of this Amendment.

9.2.2.3.5.2.5.2.2 Regarding the Exclusions pursuant to Section 9.2.2.3.5.2.5.1.2, the Parties agree to meet on an annual basis to review the instances of Remove All conditioning requiring more than Eight (8) hours of technician time to perform, that exceed the greater of 10 instances or ten percent (10%) of all Remove All conditioning performed on behalf of CLEC in a state, and will mutually determine if it is appropriate to make adjustments to the technician time cap, the level of instances requiring greater than

Eight (8) hours or the rate for Remove All Conditioning.

9.2.2.3.5.2.6 See Section 9.2.3.11 below regarding Conditioning Rate Elements.

9.2.2.3.5.3 Loop Delivery and Acceptance - xDSL Capable Loops. Although an estimate is used for facilities assignment purposes, Loop delivery and acceptance will be based upon actual testing.

9.2.2.3.5.3.1 Qwest will conduct the threshold tests set forth in Attachment 3 to this Amendment, at the levels described in Attachment 3 (Performance Parameter Tests) as needed to deliver a properly working Loop. If Qwest conducts other tests when performing such testing for itself or its retail customers, Qwest will also perform those tests for CLEC. When lack of access to CLEC's central office equipment precludes Qwest from performing the same tests that Qwest performs for itself or its retail customers, however, Qwest will perform comparable tests for CLEC.

9.2.2.3.5.3.1.1 Qwest will perform testing using an insertion loss measured at 196 kHz. The dB loss parameters used to test and validate Actual Measured Loss (AML) will vary by type of xDSL Service, as described in Section 9.2.2.3.5.4.3.1. Qwest will provision a Loop meeting at least the performance parameters specified in Attachment 3.

9.2.2.3.5.3.1.1.1 If upon testing the Loop does not meet the performance parameters specified in Attachment 3, Qwest will take action to bring the Loop within those parameters before Loop acceptance. If meeting the parameters requires Conditioning, see Section 9.2.2.3.5.2.

9.2.2.3.5.3.1.1.2 Failure to Meet AML Due to Incorrect Information in Qwest Records, Including Loop Make Up records.

9.2.2.3.5.3.1.1.2.1 Qwest will attempt to resolve any issues resulting from inaccuracies in Qwest's records (e.g., discrepancies between EML and AML) to ensure timely delivery of a Loop. (Qwest may, for example, correct its records and re-calculate EML based on correct information.) Regardless of any inaccuracies in the records, if AML is met (e.g., AML is below the applicable maximum dB level, as described in Section 9.2.2.3.5.4.3.1), the records discrepancy is not a basis for not delivering the Loop.

9.2.2.3.5.3.1.1.2.2 If failure to meet AML is both (1) caused by incorrect information in Qwest's records (e.g., Loop make up records), and (2) Qwest cannot resolve the discrepancy (such as an inaccurate indication of Loop length in Qwest records that cannot be resolved), then Qwest will notify CLEC of the discrepancy and the cause of the discrepancy (e.g., the actual Loop length is longer than

the maximum length allowable under AML) before Loop delivery.

9.2.2.3.5.3.1.1.2.2.1 Qwest will send a jeopardy notice to CLEC for the defective Loop, attempt to identify a compatible Loop and, if available, deliver a different Loop that meets the performance parameters. If no other compatible Loop is available after the manual steps for copper Loop assignment, Qwest will provide CLEC with a jeopardy notice for no available facilities.

9.2.2.3.5.3.1.1.2.3 Qwest will correct its records to indicate accurate information.

9.2.2.3.5.3.2 When Qwest completes testing, Qwest will provide CLEC with test results for all of the types of tests performed for each delivered xDSL Capable Loop, including each of the Performance Parameter Tests. This obligation to provide test results applies when CLEC orders xDSL Capable Loops via any Provisioning Option. When Qwest completes its tests, Qwest will provide the test results to CLEC before Loop acceptance in a mutually agreeable manner that allows CLEC either to view posted results electronically or to designate the personnel to receive the results by email, such as via Qwest's Provider Test Access ("PTA") or similar email system. When requested, Qwest will also provide the test results orally.

9.2.2.3.5.3.3 See Sections 9.2.2.3.5.2.2 and 9.2.2.3.5.2.3 regarding Conditioning during Loop delivery and acceptance.

9.2.2.3.5.4 **Repair - xDSL Capable Loops.** Repairs may occur shortly after service order completion or later (e.g., after a CLEC customer has been receiving service from CLEC for a longer period of time). The terms and conditions for Repair are the same for Embedded Base xDSL Capable Loops and Non-Embedded Base xDSL Capable Loops, except as described in Sections 9.2.2.3.5.4.6 and 9.2.2.3.5.4.7. Although an estimate is used for facilities assignment purposes, Repair will be based upon actual testing, including Actual Measured Loss ("AML").

9.2.2.3.5.4.1 Qwest will take into account the NC code and the NCI code when Repairing xDSL Capable Loops.

9.2.2.3.5.4.2 Qwest will conduct the Performance Parameter Tests set forth in Attachment 3 to this Amendment (which is not an exhaustive list) as needed to fully resolve the trouble. If Qwest conducts other tests for itself or its retail customers when performing such testing and Repairs, Qwest will also conduct those tests for CLEC. When lack of access to CLEC's central office equipment precludes Qwest from performing the same tests that Qwest performs for itself or its retail customers, however, Qwest will perform comparable tests for CLEC. Other testing may be needed to repair a Loop so that it performs consistent with industry standards for the type of xDSL Service deployed. If the trouble is not resolved, CLEC may escalate directly to its Qwest service manager, who will immediately escalate internally to ensure needed testing is identified and

conducted to resolve the trouble. Tests to be performed after escalation may include, for example, wideband noise and impulse noise, if not performed earlier as part of the testing outlined above.. The Qwest Service Manager will track each escalation for purposes of Section 9.2.2.3.5.4.6.

9.2.2.3.5.4.3 Qwest will perform testing using an insertion loss measured at 196 kHz (except ISDN BRI), as described in Section 9.2.2.3.5.4.3.1. As indicated in Section 9.2.2.3.5.4.3.1, the AML must meet or fall below the maximum AML. In addition, except for ISDN BRI, with NC/NCI codes of LX-N 02QC5.OOS, the AML may be no more than five (5) dB greater than the EML calculated for the Loop.

9.2.2.3.5.4.3.1 The dB loss parameters used to test and validate Actual Measured Loss (AML) will vary as follows:

9.2.2.3.5.4.3.1.1 For LXR- xDSL Capable Loops, including ADSL and ADSL2+:

AML = up to 5 dB greater than EML at 196 kHz; maximum loss of 78 dB, if such limit is within test set capability.

9.2.2.3.5.4.3.1.2 For 2-wire LX-N xDSL Capable Loops, including HDSL2, G.SHDSL, and E.SHDSL - NCI codes of 02QB9.00H and 02QB5.00G:

AML = up to 5 dB greater than EML at 196 kHz; maximum loss of 28 dB

9.2.2.3.5.4.3.1.3 For 4-wire LX-N xDSL Capable Loops, including HDSL4 and G.SHDSL - NCI codes of 04QB9.00H, 04QB5.00G, and 04QB9.00F:

AML = up to 5 dB greater than EML at 196 kHz; maximum loss of 31 dB

9.2.2.3.5.4.3.1.4 For ISDN BRI, with NC/NCI codes of LX-N 02QC5.OOS:

AML \leq 40 dB at 40 kHz; maximum loss of 40 dB

9.2.2.3.5.4.3.1.5 For all other LX-N xDSL Capable Loops, including Spectrum Management Classes 1-9, Qwest will measure AML at 196 kHz (without a maximum dB loss level).

AML = up to 5 dB greater than EML at 196 kHz; no maximum dB loss

9.2.2.3.5.4.3.1.6 Regarding Embedded Base xDSL Capable Loops, see Section 9.2.2.3.5.4.6.1.1.

9.2.2.3.5.4.4 In the case of every Repair of an xDSL Capable Loop, when Qwest completes testing, Qwest will provide CLEC with test results for all of the types of tests performed for each repaired xDSL Capable Loop, including each of the Performance Parameter Tests performed. This obligation to provide test results for Repairs applies regardless of the Provisioning Option used by CLEC when ordering the xDSL Capable Loop. When the tests are performed, Qwest will

make the test results available through Customer Electronic Maintenance and Repair (CEMR) or successor system. CLEC may access the results electronically. When requested, Qwest will also provide the test results to CLEC orally.

9.2.2.3.5.4.4.1 If Qwest fails to provide complete test results as described in Section 9.2.2.3.5.4.4, Qwest shall not code the Repair to CLEC or CLEC's customer when assigning a disposition code. The trouble is considered in Qwest's network for disposition and billing purposes.

9.2.2.3.5.4.5 Qwest's Repair commitment time for xDSL Capable Loops is four (4) hours, except as provided in Section 9.2.2.3.5.2.4.1.1.

9.2.2.3.5.4.6 Qwest and CLEC will meet to review the root cause analysis as performed by Qwest of the troubles escalated pursuant to Section 9.2.2.3.5 and mutually determine if other tests are appropriate to add to Attachment 3 for a type of xDSL Service.

9.2.2.3.5.4.7 See Section 9.2.2.3.5.2.4 regarding Conditioning during Repair.

9.2.2.3.5.5 NC/NCI CODES – xDSL Capable Loops

9.2.2.3.5.5.1 For Embedded Base xDSL Capable Loops, there may be instances when the NC code and/or NCI code associated with the CLEC customer's xDSL Service [which has been working for the customer, irrespective of the NC/NCI code(s) associated with the customer's xDSL Service] is not the same as the NC code and/or NCI code the Parties will use after the Final Implementation Date. When the need for a Repair occurs or Spectrum Management issues arise (e.g., after a Qwest network maintenance and modernization activity), however, CLEC may desire a change in the NC/NCI code(s) to conform it to the NC/NCI code(s) reflected in this Amendment. Qwest may not decline to proceed with Conditioning or with accepting and working to resolve trouble reports on the grounds that the NC/NCI code(s) are different or need changing for Embedded Base xDSL Capable Loops.

9.2.2.3.5.5.1.1 For Embedded Base xDSL Capable Loops, when submitting a trouble report, CLEC may request that Qwest change the NC code and/or NCI code to the applicable NC code and/or NCI code, such as described in Attachment 2. No CLEC service request, supplement, or supplemental request is needed to change the NC/NCI code(s) before CLEC submits a trouble report or before Qwest performs the Repair. After submitting a trouble report, CLEC will promptly submit a service request to change the NC/NCI codes to the xDSL Service actually deployed on the Embedded Base xDSL Capable Loop. Qwest will implement the change to the NC code and/or NCI code in Qwest's records with no change to the circuit identifier. After processing of the service request, the circuit history in CEMR (or successor system) will reflect the change in NC/NCI code(s) to identify the new NC/NCI code(s). These NC/NCI code changes do not require project handling.

9.2.2.3.5.5.1.1 Regarding future changes to NC/NCI codes, see Section 9.2.2.3.5.5.3.1.

9.2.2.3.5.5.2 For Non-Embedded Base xDSL Capable Loops, the Parties agree to use the NC/NCI codes as described in Attachment 2 and Section 9.2.2.3.5.5.3. If, after a Non-Embedded Base xDSL Capable Loop is installed, CLEC desires a change in the NC/NCI code(s), CLEC will submit a service request to change the NC/NCI code(s) for Non-Embedded Base xDSL Capable Loops.

9.2.2.3.5.5.3 After the Final Implementation Date of this Amendment, CLEC will order xDSL Capable Loops using the applicable NC/NCI codes described in Attachment 2 to this Amendment.

9.2.2.3.5.5.3.1 Particularly as technologies and industry standards change over time, NCI/SECNCI codes may be added or revised and will be available to CLEC. If those NCI/SECNCI codes in any respect replace or modify the codes identified in Attachment 2, Loops installed before Qwest implementation of such new or revised NCI/SECNCI codes will continue with the existing NCI/SECNCI codes as though the code were the new code or, if CLEC desires a change to conform to a revised code, the terms described in Section 9.2.2.3.5.5.1 will apply to changes in NCI/SECNCI codes in these circumstances.

9.2.2.3.5.5.3.1.1 For example, at the time of execution of this Amendment, Qwest has not implemented the Telcordia NC/NCI codes for HDSL2 (LX-N 02QB9.00E), so CLEC will order HDSL2 using the NC/NCI code identified in Attachment 2 (LX-N 02QB9.00H). If Qwest later implements the Telcordia NC/NCI codes for HDSL2 (LX-N 02QB9.00E), installed CLEC HDSL2 Loops at that time will continue to be treated as HDSL2 Loops (for all purposes, including Repair and Spectrum Management), even though Qwest begins using different NC/NCI codes for HDSL2. Installed CLEC HDSL2 customers will be the equivalent of Embedded Base xDSL Capable Loops at that point for this purpose. See Section 9.2.2.3.5.5.1. Qwest may not withhold services (e.g., Conditioning or trouble report submission) on the grounds that code(s) need changing (such as via CLEC service request, supplement or supplemental service request, or a project conversion) in this circumstance.

9.2.2.8 Loop Qualification/Make Up Information or Tool.

9.2.2.8.8 Qwest will provide CLEC with: (1) the formula(s)/algorithm(s) that Qwest uses for calculation of EML, and/or (2) a Loop Qualification tool that calculates insertion loss for xDSL Capable Loops, using the same formula(s)/algorithm(s) that Qwest uses for calculation of EML.

9.2.3 Unbundled Loop Rate Elements - xDSL Capable Loops

9.2.3.11 Rate Elements - Conditioning

9.2.3.11.1 The rates for the following rate elements for Conditioning of xDSL Capable Loops are set forth in Exhibit A of this Amendment.

9.2.3.11.1.1 Conditioning.

9.2.3.11.1.2 Remove All Conditioning.

9.2.3.11.2 The rates for the rate elements in Section 9.2.3.11.1 do not apply unless Qwest dispatches a technician (or other personnel) and performs the specified Conditioning. If, for example, Qwest's records indicate that Conditioning is required but in fact the records are incorrect and therefore none is performed, no Conditioning charge applies.

9.2.3.11.3 Each of the rates for the rate elements in Section 9.2.3.11.1 may be applied no more than one time per Loop per CLEC customer at any time before disconnection. If, for example, CLEC approves Conditioning, Qwest removes a Near-End Bridged Tap, and Qwest charges the Conditioning charge, Qwest may not charge the Conditioning charge again if later it is discovered that a single Bridged Tap greater than 2000 feet requires removal, because removal of a single Bridged Tap greater than 2000 feet is included in the one-time Conditioning charge. Qwest will track payment of Conditioning charges.

9.2.3.11.4 Conditioning is not a prerequisite to Remove All Conditioning. If CLEC pre-approves Remove All Conditioning or CLEC requests only Remove All Conditioning and Qwest performs Remove All Conditioning, only the Remove All Conditioning charge applies for Conditioning.

9.2.3.11.5 If, as part of Conditioning, Qwest removes all Bridged Taps on the Loop, only the applicable Conditioning charge applies for Conditioning. The fact that all Bridged Taps were removed is not a basis for charging the Remove All Conditioning charge in this situation because, although all of the Bridged Taps were removed, they were within the definition of Conditioning. For example, if the only Bridged Tap on a Loop is a Near-End Bridged Tap, removal of that Bridged Tap (which falls within the Conditioning definition) does not result in a Remove All Conditioning charge simply because the only (i.e., all) Bridged Tap on the Loop was removed.

9.2.3.11.6 The need to perform Conditioning is considered trouble in Qwest's network for purposes of disposition coding and billing, except as provided in Section 9.2.2.3.5.2.4.1.1. When Qwest charges CLEC the rate(s) in Exhibit A for Conditioning, Qwest may not also cause charges such as Maintenance of Service charges to apply by coding the need for Conditioning to CLEC or CLEC's customer.

9.2.6 Spectrum Management - xDSL Capable Loops

9.2.6.10 Advanced services Loop technology will be deployed, and spectrum and binder groups will be managed, in accordance with the Act and the Agreement.

9.2.6.11 See Section 9.2.2.3.5.5 regarding NC/NCI codes.

12.4 Maintenance and Repair - xDSL Capable Loops

12.4.1.6.3 When CLEC elects not to perform trouble isolation and CLEC requests Qwest to perform optional testing, Qwest will perform at least the Performance Parameter Tests described in Section 9.2.2.3.5.3.1 and Attachment 3 for xDSL Capable Loops as needed to isolate and fully resolve the trouble. If trouble is isolated to the Qwest network, Qwest will proceed to perform trouble isolation and work to resolve the trouble. At the time Qwest completes testing, Qwest will provide the test results to CLEC electronically. When CLEC does not submit the trouble report electronically, Qwest will contact CLEC by telephone to provide test results at the time Qwest completes testing. Qwest will charge CLEC the applicable optional testing charge.

12.4.1.6.4 Optional testing charges do not apply when CLEC performs trouble isolation. When CLEC submits a trouble report to Qwest with test results isolating trouble to the Qwest network, Qwest will not require CLEC to authorize optional testing charges and Qwest will not decline to proceed with Repair on the grounds that CLEC has not authorized optional testing. For xDSL Capable Loops, CLEC test results isolating trouble to Qwest's network may, for example, result from signal-to-noise ratio, Loop attenuation, margin, circuit resistance, or any of the tests identified in Attachment 3, and may include tests results such as those indicating bad splices, wet cable, opens, grounds, shorts, or Bridged Tap. When CLEC reports that CLEC has isolated trouble to the Qwest network, Qwest will proceed to perform trouble isolation and work to resolve the trouble.

12.4.3.5 Qwest Maintenance and Repair and routine test parameters and levels will be in compliance with Qwest's Technical Publications, which will be consistent with Telcordia's General Requirement Standards for Network Elements, Operations, Administration, Maintenance and Reliability and/or the applicable ANSI standard.

				Conditioning	Rate	Rate	Rate	Rate	Rate	Notes
9.0 Unbundled Network Elements (UNEs)										
9.2 Unbundled Loops										
9.2.2 Nonloaded Loops										
9.2.2.4 Cable Unloading / Bridge Tap Removal										
9.2.2.4.1 Conditioning										
9.2.2.4.2 Remove All Conditioning										
						\$250.00				+++
										++++
NOTES:										
Each rate is for consideration. Commission approved rates.										
+++ Negotiated Rate										
++++ When the Commission approved rate is greater than \$250, the Commission approved rate will be used for Remove All Conditioning.										

**ATTACHMENT 2:
 Qwest NC/NCI Code Combinations for LX-N and LXR- xDSL Capable Loops¹**

NC Code	NCI Code		BRIEF DESCRIPTION
	Qwest CO-NI	Customer EU-NI	
ADVANCED DIGITAL TRANSPORT – SPECTUM MANAGEMENT COMPATIBLE			
LX-N	02QB5.001	02DU5.001	Spectrum Management Class 1
LX-N	02QB5.002	02DU5.002	Spectrum Management Class 2
LX-N	02QB5.003	02DU5.003	Spectrum Management Class 3
LX-N	04QB5.003	04DU5.003	Spectrum Management Class 3
LX-N	02QB5.004	02DU5.004	Spectrum Management Class 4
LX-N	02QB9.005	02DU9.005	Spectrum Management Class 5
LX-N	02QB9.006	02DU9.006	Spectrum Management Class 6
LX-N	02QB5.007	02DU5.007	Spectrum Management Class 7
LX-N	02QB5.008	02DU5.008	Spectrum Management Class 8
LX-N	02QB9.009	02DU9.009	Spectrum Management Class 9
LX-N	04QB5.00F	04DU5.00F	Spectrum Management HDSL4. Technology Specific. Transmission System
LX-N	02QB5.00G	02DU5.00G	Spectrum Management G. SHDSL, E.SHDSL Technology specific. Transmission System
LX-N	04QB5.00G	04DU5.00G	Spectrum Management G. SHDSL Technology Specific. Transmission System
LX-N	02QB5.00S	02DU5.00S	Spectrum Management 281QSDSL.

¹ References to a type of xDSL Service (e.g., ADSL, HDSL) are general and include successive xDSL Services (e.g., ADSL2+, HDSL2).

NC Code	NCI Code		BRIEF DESCRIPTION
	Qwest CO-NI	Customer EU-NI	
			Technology Specific Transmission System
LX-N	04QB5.00S	04DU5.00S	Spectrum Management 281QSDSL. Technology specific. Transmission System
DIGITAL SUBSCRIBER LINE BASIC RATE ISDN – DSL (ISDN BRI) COMPATIBLE			
LX-N	02QC5.00S	021S5.N	Digital Subscriber Line with 2B1Q Signaling Format Compatible Loop
HIGH-BIT-RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE			
LX-N	02QB9.00H	02DU9.00H	HDSL and HDSL2 Compatible Loop, Metallic Facility
LX-N	04QB9.00H	04DU9.00H	HDSL and HDSL2 Compatible Loop, Metallic Facility
ASYMMETRIC DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE			
LXR-	02QB9.00A.	02DU9.00A	Revised Resistance Design (RRD)n Non-Loaded Loop with ANSIT1.413 DMT Signaling Format
LXR-	02QB9.01A	02DU9.01A	RRD, Non-Loaded Loop with ANSIT1.413 DMT Signaling Format and one POTS Channel
LXR-	02QB9.00C	02DU9.00C	RRD, Non-Loaded Loop with CAP Signaling Format
LXR-	02QB9.01C	02DU9.01C	RRD, Non-Loaded Loop with CAP Signaling Format one POTS Channel
UNBUNDLED DISTRIBUTION LOOPS			
LX-N	02QE5.001	02DU5.001	Distribution Loop, without loading coils, Spectrum Management Class 1
LX-N	02QE5.002	02DU5.002	Distribution Loop, without loading coils, Spectrum Management Class 2
LX-N	02QE5.003	02DU5.003	Distribution Loop, without loading coils, Spectrum Management Class 3

NC Code	NCI Code		BRIEF DESCRIPTION
	Qwest CO-NI	Customer EU-NI	
LX-N	02QE5.004	02DU5.004	Distribution Loop, without loading coils, Spectrum Management Class 4
LX-N	02QE9.005	02DU9.005	Distribution Loop, without loading coils, Spectrum Management Class 5
LX-N	02QE9.006	02DU9.006	Distribution Loop, without loading coils, Spectrum Management Class 6
LX-N	02QE5.007	02DU5.007	Distribution Loop, without loading coils, Spectrum Management Class 7
LX-N	02QE5.008	02DU5.008	Distribution Loop, without loading coils, Spectrum Management Class 8
LX-N	02QE9.009	02DU9.009	Distribution Loop, without loading coils, Spectrum Management Class 9
LX-N	02QE9.005	02DUM.LS5	Distribution Loop, without loading coils, Spectrum Management Class 5 and one POTS Channel

**ATTACHMENT 3:
xDSL CAPABLE LOOP PERFORMANCE PARAMETER TESTS**

Note: As between Attachment 1 and Attachment 3, the terms of Attachment 1 control, should any discrepancy or apparent discrepancy be identified. See Attachment 1 regarding Conditioning.

Required Tests	Expected Field Measurement Results	Notes
Loop Length	Actual (Capacitive)	
Load Coils	None	
Opens	None	
Grounds	None	
Shorts	None	
Bridge Tap	<p>LX-N Maximum: Total Length <2500 ft Single Tap Length < 2000ft</p> <p>LXR- Maximum: Total Length <2500 ft Single Tap Length < 2000 ft No Near End /Far End BT(>1000 ft)</p> <p>Remove All Maximum: None</p>	See Exclusions
1004 Hz Loss	< -8.5dBm	
196 kHz Loss	<p>Actual Measured Loss (AML): Maximum AML = EML + 5 dB</p> <p>LX-N Maximum dB Loss: 2- wire (e.g., NCI codes of 02QB9.00H and 02QB5.00G) <28.dB</p> <p>4- wire (e.g, NCI codes of 04QB9.00H, 04QB5.00G, and 04QB9.00F) <31.dB</p> <p>LXR- Maximum dB Loss: LXR- <78.dB</p>	<78 dB if such limit is within test set capability
40 kHz Loss	ISDN BRI <40.dB	
Insulation Resistance	<p>Tip – Ground > 3.3 Meg Ohms Ring – Ground > 3.3 Meg Ohms Tip – Ring > 3.3 Meg Ohms</p>	

Foreign Voltage - DC	Tip - Ground < 8 VDC Ring - Ground < 8 VDC Tip - Ring < 8 VDC	
Foreign Voltage - AC	Tip - Ground <50VAC Ring to Ground <50VAC	
Noise (C - Message)	< 23 dBmC Far end 600 Ohm Termination	< 20 dBmC Acceptable, >20 < 30 dBmC Marginal, > 30 Unacceptable
Noise (C - Notch)	< 45 dB	1004 Hz, 0 dBm Transmit
Line Balance	< to 10%	The length of the Tip side of the line compared to the length of the Ring to 10% difference
Longitudinal Balance	965 Type Meter <= <= 50 dB @ 196khz Other Meters <= 40 dB @ 196khz	
Power Influence	<=90 dBmC	
D-Mark Tagged	Yes	

APPENDIX C

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application of

**QWEST COMMUNICATIONS
INTERNATIONAL INC. AND
CENTURYTEL, INC.**

For Approval of Indirect Transfer of
Control of Qwest Corporation, Qwest
Communications Company LLC, and
Qwest LD Corp.

DOCKET NO. UT-100820

SETTLEMENT AGREEMENT

1 This Settlement Agreement (“Settlement Agreement” or “Agreement”) is entered into between CenturyLink, Inc., a Louisiana Corporation (“CenturyLink”) and its affiliates, and Qwest Communications International Inc. (“QCII”), a Delaware Corporation and its affiliates, including Qwest Corporation (collectively “Joint Applicants”), the Staff of the Washington Utilities and Transportation Commission (“Staff”), and Public Counsel Section of the Washington Attorney General’s Office (“Public Counsel”) (collectively “Parties” or individually a “Party”). The Agreement consists of this document, entitled “Settlement Agreement,” and Appendix A attached hereto.

A. Background

2 On May 13, 2010, the Joint Applicants filed a Joint Application for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company LLC, and Qwest LD Corp. The Joint Applicants submitted testimony on May 21, 2010 and on November 1 and 15, 2010, and the Staff submitted testimony on September 27, 2010. In its testimony, Staff raised a number of issues in connection with the proposed transaction. The Parties subsequently engaged in settlement discussions, and now enter voluntarily into

this Settlement Agreement to resolve all issues among them in the proceeding and to expedite the orderly disposition of this proceeding.

B. Nature of Agreement

3 This Settlement Agreement is a "Multiparty Settlement" within the meaning of WAC 480-07-730(3), and the Parties agree that the Settlement Agreement is in the public interest and should be accepted in resolution of all issues in this docket. The Parties further agree that with the conditions contained in Appendix A, the Transaction that is the subject of this proceeding is in the public interest and otherwise meets the standards required for approval by Chapter 80.12 RCW and Chapter 480-143 WAC. The Parties understand that this Agreement is subject to Commission approval and that any parties opposed to the Commission's adoption of this proposed settlement retain certain rights under WAC 480-07-740(2)(c).

C. Agreed Conditions on Approval of the Transaction

4 All of the conditions agreed upon by the Parties are set forth in Appendix A to this Settlement Agreement.

D. Positions Are Not Conceded

5 In reaching this Settlement Agreement, no Party necessarily accedes to any particular argument made by any other Party.

E. Agreement Subject to Commission Approval

6 The Parties understand and agree that this Settlement Agreement in no manner binds the Commission in ruling on the pending proceeding until such a time as the Commission approves the Settlement Agreement. The Settlement Agreement is expressly subject to Commission approval except for Sections I and J below.

F. Effective Date

7 The effective date of the Agreement is the date the Agreement is approved, without
change, by Commission order. Notwithstanding the effective date of the Agreement as a
whole, Sections I and J below, which require the Parties to support the Agreement
before the Commission and govern publicity regarding the Agreement, are effective on
December 23, 2010.

G. Filing of the Agreement

8 The Parties agree to use the following procedures to seek Commission approval of the
Agreement. The Joint Applicants will file this Agreement with the Commission on behalf
of the Parties and the Parties will file written testimony in support of the Agreement no
later than December 29, 2010. The transmittal letter will recommend that the Commission
accept the settlement as the complete and final resolution of all of the Parties' issues in the
case.

H. Agreement Approval Procedures

9 The Parties understand the Commission has discretion, consistent with applicable law, to
determine the appropriate procedures for determining whether it will approve this
Agreement. The Parties urge the Commission to approve the Settlement expeditiously,
consistent with the rights of any objecting parties and with necessary time for
deliberation.

I. Support of the Agreement

10 All Parties agree to use their best efforts to support the Agreement as a settlement of all
contested issues in the pending proceeding. At a minimum, the Parties will provide
supporting witnesses to sponsor the Agreement at a Commission hearing and
recommend that the Commission issue an order adopting this Agreement as the resolution
of this proceeding and to provide such other evidence or briefing that the Commission may

require pursuant to WAC 480-07-740(2). No Party to this Agreement or their agents, employees, consultants or attorneys will engage in any advocacy contrary to the Commission's prompt consideration of this Agreement or support any other party's opposition to this Agreement.

J. Publicity

11 All Parties agree: (1) to provide all other Parties the right to review in advance of publication any and all announcements or news releases that any other Party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements) and (2) to include in any news release or announcement a statement that the Agreement is subject to Commission approval and that the Commission Staff's recommendation to approve the Settlement is not binding on the Commission itself.

K. Procedure if the Commission Provides Less Than Full Approval

12 In the event the Commission rejects this Agreement, the provisions of WAC 480-07-750(2)(a) apply. In the event the Commission accepts the Agreement upon conditions not proposed herein, each Party reserves its right, upon written notice to the Commission and the parties within five (5) business days of the Commission's Order, to state its rejection of the conditions and withdrawal from the Agreement. In such event, the Parties immediately will request that hearings be held on the appropriateness of the conditions. In any further proceedings triggered by this paragraph, the Parties agree to cooperate in the development of a hearing schedule that concludes such proceeding at the earliest possible date.

L. The Agreement as Precedent

13 The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty and delay. Nothing in this Agreement (or any testimony, presentation or briefing supporting the Agreement) shall be asserted or deemed to mean that a Party agreed with or adopted

another Party's legal or factual assertions in this proceeding. The limitations in this paragraph shall not apply to any proceeding to enforce the terms of this Agreement or any Commission order adopting this Agreement in full. Because this Agreement represents a compromise position of the Parties, the Parties agree that no conduct, statements or documents disclosed in the negotiation of the Agreement shall be admissible as evidence in this or any other proceeding. This paragraph does not apply to non-privileged, publicly available documents.

M. Entire Agreement

14 The Parties acknowledge that this Agreement is the product of negotiations and compromise and shall not be construed against any Party on the basis that it was the drafter of any or all portions of this Agreement. This Agreement constitutes the Parties' entire agreement on all matters set forth herein, and it supersedes any and all prior oral and written understandings or agreements on such matters that previously existed or occurred in this proceeding, and no such prior understanding or agreement or related representations shall be relied upon by the Parties.

N. Integrated Agreement

15 The Parties recommend that the Commission approve this Agreement with no material changes. The Parties have agreed to this Agreement as an integrated document.

16 This Agreement is considered executed when all Parties sign the Agreement. A designated and authorized representative may sign the Agreement on a Party's behalf. The Parties may execute this Agreement in counterparts. If the Agreement is executed in counterparts, all counterparts shall constitute one agreement. A faxed signature page, or an electronically transmitted signature page containing the signature of a Party is acceptable as an original signature page signed by that Party.

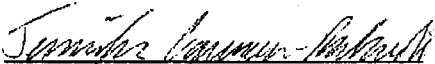
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Dated this 23rd day of December, 2010.

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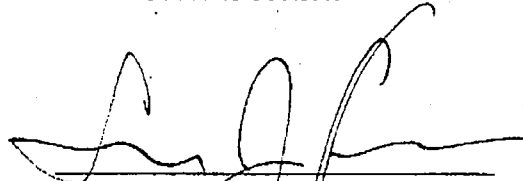
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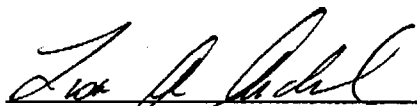
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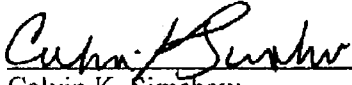
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APPENDIX A TO SETTLEMENT AGREEMENT - CONDITIONS
Reflecting Joint Applicants' agreement with Commission Staff and Public Counsel
12/23/2010

As part of a comprehensive settlement with Commission Staff and Public Counsel, CenturyLink agrees to the following conditions:

1. Financial Reporting

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will file with the Commission a semi-annual report containing the following:

- a. CenturyLink Inc.'s balance sheet.
- b. Intercompany receivables and payables for the CenturyLink ILECs and Qwest showing the beginning balance, the change for the period and the ending balance of those accounts.
- c. Dividend payments declared by CenturyLink Inc. to its shareholders (in total and per share) for each quarter during the year.

The first report shall be filed with the Commission within 30 days after CenturyLink's first post-Transaction filing of quarterly financial reports (10Q) with the SEC. Subsequent reports will be filed semi-annually thereafter within 30 days after CenturyLink's filing of financial reports (10K or 10Q as appropriate) with the SEC.

2. Cost of Capital

The CenturyLink ILECs and Qwest will not advocate in any general rate case or AFOR proceeding, or other earnings review, for a cost of capital that is higher than what it would have been absent the Transaction.

3. AFOR Filing

- a. Prior to the expiration of the existing Qwest AFOR, CenturyLink will petition the Commission for the following:
 - i. deferral of the Qwest AFOR review until the filings required in the next section of this condition are made;
 - ii. extension of the Qwest AFOR period until the Commission issues an order on the filings required in the next section of this condition; and
 - iii. elimination of the CenturyTel/Embarq merger conditions requiring a results of operation filing within three years and an AFOR filing within five years of the close of the CenturyTel/Embarq merger.
- b. No sooner than three years and no later than four years after the Transaction closes, CenturyLink must file concurrently with the Commission:

- i. *Pro forma results of operations.*

CenturyLink must file, at the company's option, either (1) a normalized pro forma consolidated results of operations that combines the results of operations for the CenturyLink ILECs and Qwest into a single consolidated results of operations filing or (2) separate results of operations for each CenturyLink ILEC and for Qwest. For the CenturyLink ILECs, results of operations shall be consistent with WAC 480-07-510(3) and reflect the Commission format using a historical test period with restating and pro forma adjustments to the test period. Restating adjustments will remove non-recurring transactions and other costs that are not appropriate for rate making purposes, such as integration costs. Pro forma adjustments will use the "known and measurable" standard. The filing shall provide the Commission the information necessary to conduct a full earnings review consistent with that required in a general rate case, and which captures merger synergies realized throughout the test year and pro forma period, as specified in the CenturyTel/Embarg Merger Order, Docket No. UT-082119, Order 05, ¶¶ 48-50. For Qwest, results of operations shall be consistent with the reporting required in the AFOR and set forth in attachments to Order 06, Docket UT-061625, at pp. 49 and 50, Qwest's Modified Proposal for an AFOR, Transition Period Requirement #3 and #5, and at p. 55, Appendix B to the proposal. Also included in the filing will be a cost of capital determination. The Parties understand that the Commission may request additional information to enable it to conduct an earnings review or may request the filing of consolidated results of operations.
- ii. *AFOR plan(s).*

CenturyLink must file, at the company's option, either a single consolidated proposed AFOR plan or separate proposed AFOR plans for each CenturyLink ILEC and Qwest, in compliance with RCW 80.36.135 and utilizing the principles established by the Commission in the Qwest AFOR, Docket UT-061625.
- c. The Parties agree in reference to b. above that, if and after separate filings are made, the Parties are not precluded from requesting the Commission to order a consolidated filing. The Parties understand that the Commission may request filing of a consolidated AFOR plan on its own motion.
- d. The Parties agree that the issues in the AFOR proceedings shall include the analysis and disposition of merger synergies, the question of whether and to what extent rate rebalancing is appropriate, and whether and to what extent the rate design for residential or business services, and intrastate access charges should be modified to achieve consistency of rate structures among the companies. Issues also include whether any rate changes associated with achieving consistency of rate structures among the CenturyLink ILECs and Qwest should be accomplished over time and whether or not they would result in a single statewide rate for

residential or business services, or intrastate access charges. The Parties further agree that in the AFOR proceeding(s), any party may advocate for the modification, termination, or continuation of any merger conditions (i.e., those stated to be effective through the end of the AFOR proceeding), except where otherwise provided (e.g., conditions 2, 5, and 6).

4. Synergy Report

For a period of five years after the Transaction closes, CenturyLink will track and file annually a confidential report reflecting merger costs and synergy savings on a company-wide and Washington basis. The first report shall be filed with the Commission within 150 days after the first anniversary of the close of the Transaction, and subsequent reports will be filed annually with the Commission on the anniversary date of the first report. The report shall reflect the following information:

- a. Synergy Savings – The report will provide estimated achieved synergy savings by the functional areas being tracked by CenturyLink. Estimated achieved synergy savings by the functional areas will be shown for CenturyLink company-wide and for each CenturyLink ILEC and Qwest (total company and intrastate jurisdiction amounts).
- b. Merger Costs – The report will provide total merger costs incurred for the reporting period for CenturyLink company-wide and for each CenturyLink ILEC and Qwest (total company and intrastate jurisdictional amounts).

CenturyLink acknowledges that the reporting required under this condition has no effect on the reporting obligations related to merger costs and synergy savings previously established in paragraph 50 of the Commission's order in the CenturyTel/Embarq merger in Docket UT-082119.

5. Management Costs

The CenturyLink ILECs and Qwest agree not to seek recovery from their retail or wholesale customers any increases in overall management costs related to the Transaction.

6. Merger Costs

CenturyLink will not seek recovery through retail or wholesale service rates transition, integration, branding or transaction costs in Washington. These costs will be borne by the CenturyLink stockholders.

7. Encumbrance of ILEC Assets

CenturyLink will not pledge the assets of the CenturyLink ILECs and Qwest to secure borrowing undertaken by CenturyLink without approval of the Commission.

8. Notification of Financial Information at Transaction Close

Within 30 days after the Transaction closes, CenturyLink will notify Commission Staff of the post-Transaction CenturyLink consolidated 2010 Net Debt/ trailing 12-month EBITDA; the price per share of CenturyLink's and QCII's stock at the Transaction's close; and the number of shares issued to QCII shareholders.

9. Affiliated Interest

The CenturyLink ILECs and Qwest will comply with all applicable state and federal statutes and regulations regarding affiliated interest transactions, including timely filings of applications and reports, consistent with their respective forms of regulation, and terms of such regulation, as applicable to each respective company.

10. Changes to Transaction

The Joint Applicants must immediately notify the Commission of any material change to the Transaction terms and conditions set forth in their Application that: (1) occurs while a Commission order on the merits of the Transaction is pending, or (2) occurs before the Transaction closes but after the Commission issues its order on the merits of the Transaction. The Joint Applicants also must submit a supplemental application for an amended Commission order in this docket if there is any change in substantive transaction conditions and terms that affect Commission-regulated services in Washington.

11. Accounting Records

CenturyLink agrees to the following with respect to books and records:

- a. After the Transaction closes, the CenturyLink ILECs and Qwest must maintain their books to ensure they will continue to report Washington operations to the Commission consistent with the Washington-specific data that is being reported currently by the CenturyLink ILECs and Qwest to the extent that the data being reported is still required.
- b. Nothing in this Transaction or related agreements will limit or affect the Commission's, Commission Staff's or Public Counsel's rights with respect to inspection of accounts, books, papers and documents of QCII or CenturyLink or their subsidiary companies pursuant to RCW 80.04.070 or RCW 80.16.030.
- c. Nothing in this Transaction or related agreements will result in reduced access to necessary books and records that relate to transactions between or among any of the participating parent corporations or their operating subsidiaries, or their successors. The corporate structure resulting from the Transaction will not be used by the surviving post-Transaction entities as a basis to oppose requests for

books and records made by the Commission, the Commission Staff, or Public Counsel.

- d. Joint Applicants and the surviving post-Transaction entities shall maintain the necessary books and records so as to provide an audit trail for all corporate, affiliate, or subsidiary transactions with the operating ILEC subsidiaries, or that result in costs that may be allocable to the operating ILEC subsidiaries.

12. Plan for Evaluation and Replacement of Switches

CenturyLink will provide to Commission Staff and Public Counsel on the first anniversary of the Transaction's close, a status report on CenturyLink's switching infrastructure in the state, which will identify any switch replacements, upgrades or retirements made in the prior calendar year as well as any that are known for the upcoming calendar year.

13. Report of Capital Expenditures

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will submit to the Commission, with copies to Commission Staff and Public Counsel, a confidential report for the previous calendar year detailing Washington regulated capital expenditures as a percentage of total system expenditures and a comparison of the amount of regulated capital expenditures per Washington access line with the amount of regulated capital expenditures per CenturyLink system-wide access line.

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will submit a report annually, within 30 days after capital budgets have been approved by the CenturyLink board, to the Commission, with a copy to Commission Staff and Public Counsel, containing the projected capital budgets for the CenturyLink ILECs and Qwest for the current budget year. Recognizing that projected capital budgets are fluid, and that these budgets will be provided for informational purposes, follow-up filings will not be made except in the case of a major variance.

14. Broadband Commitment

In addition to the Qwest AFOR and CenturyTel/Embarq merger broadband commitments, CenturyLink shall invest no less than \$80,000,000 (eighty million dollars) in retail broadband infrastructure in Washington over a five year period, beginning January 1, 2011. No less than thirty-three percent (33%) of this amount shall be invested in unserved and underserved areas. In addition to the 33% of the total investment that is directed to unserved and underserved areas, CenturyLink will enable broadband in the following CenturyLink central offices: Clearwater, Glenwood, Willard, Nespelem, and Eureka. This investment will count toward the \$80,000,000 total.

For purposes of this Settlement Agreement, “unserved” means either an area that has no wireline broadband service from any carrier, or no wireline service available from the CenturyLink ILECs or Qwest; “underserved” means an area with wireline broadband service but only at download speeds of 4 Mbps and upload speeds of 1 Mbps or less; and “area” means one or more living units. CenturyLink may invest less than thirty-three (33%) of the total amount in unserved or underserved areas with Commission approval, after a showing that such investments would not be appropriate based on deployment costs, availability of other broadband services in those areas or other pertinent factors, but any such Commission approval shall not impact the total amount of the commitment.

Within 180 days of the Transaction’s close, CenturyLink will file with the Commission, with copies to Commission Staff and Public Counsel, a separate confidential filing identifying the initial wire centers targeted under the commitment, including those areas that qualify as unserved or underserved, as well as the estimated living units that will be enabled or upgraded as to speed. Company representatives will meet with Commission engineering staff and Public Counsel to review this report. The Parties agree that as part of its initial broadband evaluation CenturyLink will evaluate each of the unserved and underserved areas, with an emphasis on those Qwest and CenturyLink ILEC wire centers with 85% broadband availability or less, to determine if the combined networks overcome the existing challenges in provision of broadband services. These findings will be used in developing CenturyLink’s broadband investment plan and will be reviewed with Commission Staff and Public Counsel as part of the post-Transaction meeting.

For a period of five years, or until all capital commitments have been expended under this condition, CenturyLink will file with the Commission annually on the anniversary of the Transaction’s close a confidential written report on the broadband deployment by wire center accomplished in the previous year, including the expenditure per wire center, the number of living units enabled or upgraded as to speed, and the broadband speeds available in each wire center. The report shall contain the same Washington-specific information as is currently reported under the Qwest AFOR broadband reporting requirement. The Parties agree to work collaboratively to develop a report format to comply with this provision.

CenturyLink will file with the Commission, with copies to Commission Staff and Public Counsel, a plan for broadband deployment annually, to begin within 60 days of the anniversary date of the closing of the Transaction and thereafter submitted on the anniversary of the Transaction’s closing date, including the number of living units to be enabled or upgraded. In addition, CenturyLink will meet with Commission Staff and Public Counsel to review the annual broadband plan and the annual deployment report.

15. DSL Offerings

After the transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will continue to offer stand-alone DSL service within the Qwest service territory and, within the CenturyLink ILEC territories,

will continue to offer a basic broadband service coupled with discounted, restricted voice and 911 service equivalent to the current "Pure Broadband" service.

16. Customer Service Guarantee Program (CSGP)

- a. After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded,
 - i. CenturyLink ILECs will implement a \$5 out of service credit mirroring Qwest's "Allowance for Service Interruptions" tariff. The program must be implemented within 180 days after the Transaction's closing date.
 - ii. CenturyLink agrees to modify the service guarantee program adopted in the CenturyTel/Embarq merger in the following manner:
 - (1) The one year program will be extended to run until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded.
 - (2) The \$15 residential credit will be increased to \$25.
- b. For a period of three years from the Transaction's close, CenturyLink agrees to meet or exceed delayed primary service metrics for CenturyLink ILECs, measured as follows:
 - i. The performance baseline will be the CenturyLink ILECs' average performance for the twelve months prior to the Transaction's close or the WAC 480-120-105(1)(a) metric, whichever is higher.
 - ii. The initial measurement of CenturyLink ILEC performance will compare the first three month period after the Transaction closes to the baseline in subsection (i). Thereafter, each successive month of the CenturyLink ILECs' performance will be added to the three month period referenced above in determining the CenturyLink ILECs' average performance until twelve months after the Transaction closes.
 - iii. Beginning one year after the Transaction closes, the CenturyLink ILECs' performance against the baseline in subsection (i) will be measured on a rolling twelve month average performance basis.
 - iv. If the CenturyLink ILECs' average performance during any post-merger period referenced above falls below 95% of the performance standard specified in subsection (i) above, CenturyLink agrees to implement a "delayed primary" service program mirroring Qwest's "Delayed Primary Basic Exchange Alternative" tariff until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded.

17. Service Quality Reporting

Qwest shall continue the monthly service quality reporting required before the Transaction; however, until the conclusion of the AFOR proceedings, Qwest shall report payouts under the CSGP on a quarterly basis.

The CenturyLink ILECs shall continue to file monthly service quality reports as required by rule, and following implementation of a CSGP consistent with Condition 16 above, the CenturyLink ILECs shall file quarterly reports of their CSGP until the conclusion of the AFOR proceedings.

CenturyLink will include in the monthly service quality reports of the CenturyLink ILECs a 90-day held order report that, within the limitations of CenturyLink's system, replicates the Qwest report as closely as possible.

CenturyLink will file, and Commission Staff will support, a petition for waiver of WAC 480-120-439(4) seeking permission to report on orders completed rather than on orders taken, which would constitute treatment similar to that granted Qwest in Docket No. UT-030704.

18. Failure to Meet Service Quality

If any CenturyLink ILEC or Qwest has service quality degradation that falls below the average level of retail service quality metrics reported for six months prior to the closing date of the Transaction, Commission Staff, or Public Counsel, at its discretion, can initiate a service quality investigation to propose establishment of a self-executing service quality penalty mechanism tailored to address the service failure issue(s).

19. Customer Complaint Handling

CenturyLink will retain Qwest WUTC complaint staff in Washington state for a period of no less than two years following the close of the Transaction.

On an ongoing basis, CenturyLink shall ensure that its executive complaint functions are sufficiently staffed with adequately trained personnel who will provide a level of service that is consistent with WAC 480-120-166, with particular focus on punctuality of response; accessibility during the Commission operating hours; thorough investigation with complete responses; and internal communication methods to reach appropriate operations personnel to respond to and resolve consumer issues, with particular emphasis on service affecting situations.

20. Retail Rate Cap

None of the CenturyLink ILECs or Qwest will file tariff revisions seeking to increase stand alone flat rated residential (1FR) or business (1FB) tariffed access line rates until such time as an AFOR for the CenturyLink ILECs and Qwest has been approved, except in the case of the occurrence of "Exogenous Events."

For three years following the date the Transaction closes, Qwest's rate for competitively classified stand alone business (1FB) service shall be capped at \$30.00, which is \$1.00 more than the rate currently in effect.

CenturyLink or Qwest ILECs may petition the Commission to seek recovery from the impact of exogenous events that materially affect their operations as a result of orders issued by the Federal Communications Commission ("FCC") or this Commission.

Until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will continue to offer rate stabilization provisions for those Qwest business exchange services for which rate stabilization is available as of December 1, 2010.

CenturyLink will honor all existing terms and conditions for bundled service customers (e.g., lifetime price guarantees) agreed to prior to the close of the Transaction.

21. LD Issues

If post-Transaction rearrangements will cause a change in a customer's CenturyLink or QCII long distance carrier, CenturyLink agrees to notify all affected customers before the transfer occurs. The notice will be sent to customers a minimum of thirty (30) days before the transfer and will offer customers the option to change to a different long distance carrier without incurring a Primary Interexchange Carrier (PIC) change charge for a period of ninety (90) days.

22. OSS – Retail

CenturyLink agrees to submit to Commission Staff and Public Counsel semi-annual integration status reports following the close of the Transaction. The initial report will be submitted within 90 days after the Transaction closes and will continue semi-annually for four years (reports will be provided within 30 days following the end of each semi-annual period). At a minimum, the reports will include a summary of integration-related activity completed since the last filed report and key milestones, deliverables and implementation timelines, and major risks and contingency plans for the upcoming quarter and beyond, if available, for all substantial integration team efforts.

For four years after the closing date of the Transaction, prior to conversion of any CenturyLink retail operations support systems that impact Washington operations CenturyLink will provide notice to Commission Staff and Public Counsel 180 days in advance of the conversion. Notification will consist of a detailed description of the systems involved, the action to be taken, the timelines associated with the system conversion and a description of customer impacts. Upon request CenturyLink will provide Commission Staff with additional documentation verifying conversion readiness. Retail operations support systems are defined as ordering, provisioning, maintenance and repair, and billing systems.

23. OSS – Wholesale

In legacy Qwest ILEC service territory, after the Transaction closes, CenturyLink will use and offer to wholesale customers the legacy Qwest Operational Support Systems (OSS) for at least two years, or until July 1, 2013, whichever is later, and thereafter

provide a level of wholesale service quality that is not less than that provided by Qwest prior to the Transaction's closing, with functionally equivalent support, data, functionality, performance, electronic flow through, and electronic bonding. After the period noted above, CenturyLink will not replace or integrate Qwest systems without first establishing a detailed transition plan and complying with the following procedures:

- a. Detailed Plan. CenturyLink will provide notice to the Wireline Competition Bureau of the FCC, the Commission, and the Parties to this agreement at least 270 days before replacing or integrating Qwest OSS system(s). Upon request, CenturyLink will describe the system to be replaced or integrated, the surviving system, and steps to be taken to ensure data integrity is maintained. CenturyLink's plan will also identify planned contingency actions in the event that CenturyLink encounters any significant problems with the planned transition. The plan submitted by CenturyLink will be prepared by information technology professionals with substantial experience and knowledge regarding legacy CenturyLink and legacy Qwest systems processes and requirements. CLECs will have the opportunity to comment on CenturyLink's plan in a forum in which it is filed, if the regulatory body allows comments, as well as in the Qwest Change Management Process.
- b. CMP. CenturyLink will follow the procedures in the Qwest Change Management Process ("CMP") Document.
- c. Replacement or Retirement of a Qwest OSS Interface.
 - i. The replacement or retirement of a Qwest OSS Interface may not occur without sufficient acceptance of the replacement interface by CLECs to help assure that the replacement interface provides the level of wholesale service quality provided by Qwest prior to the Transaction's closing. Each party participating in testing will commit adequate resources to complete the acceptance testing within the applicable time period. The Parties will work together to develop acceptance criteria. Testing will continue until the acceptance criteria are met. Sufficient acceptance of a replacement for a Qwest OSS Interface will be determined by a majority vote, no vote to be unreasonably withheld, of the CMP participants (Qwest and CLECs) in testing, subject to any party invoking the CMP's Dispute Resolution process. The requirements of this paragraph will remain in place only until completion of Transaction-related OSS integration and migration activity. If a dispute arises as to whether such Transaction-related OSS integration and migration activity is complete, the Commission will determine the completion date.
 - ii. CenturyLink will allow coordinated testing with CLECs, including a stable testing environment that mirrors production, jointly established test cases, and, when applicable, controlled production testing, unless otherwise agreed to by the Parties. Testing described in this paragraph

associated with merger-related system replacement or integration will be allowed for the time periods in the CMP Document, or for 120 days, whichever is longer, unless otherwise mutually agreed to by the Parties.

- iii. CenturyLink will provide the wholesale carriers training and education on any wholesale OSS implemented by CenturyLink without charge to the wholesale carrier.
- d. *Billing Systems.* CenturyLink will not begin integration of Billing systems before the end of the minimum two year or July 1, 2013 period, whichever is longer, noted above, or without following the above procedures, unless the integration will not impact data, connectivity and system functions that support or affect CLECs and their customers.
 - i. Any changes by CenturyLink to the legacy Qwest non-retail OSS will meet all applicable ICA provisions related to billing and, to the extent not included in an ICA, will be Ordering and Billing Forum (OBF) compliant.

24. Network Integration

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will provide Commission Staff and Public Counsel with 90 days' advanced notice of the rearrangement of major network components. The notice will include a rearrangement plan discussing the changes that will be made and the timeframes in which the work will be completed. Major network components include:

- a. Customer call centers
- b. Customer repair centers
- c. E911 systems
- d. Maintenance systems that monitor central office and transport systems
- e. Engineering systems
- f. Outside plant record systems

25. OSS Integration Completion

CenturyLink will file notification with the Commission upon the completion of any OSS system conversions or integrations for which advance notification was required under the Retail or Wholesale OSS conditions

26. Lifeline (WTAP)

- a. After the Transaction closes, the CenturyLink ILECs and Qwest will meet and work collaboratively with Commission Staff, Public Counsel and DSHS to

evaluate the current WTAP outreach program in order to enhance customer awareness and increase participation in the program.

- b. Within 60 days after the Transaction closes, the CenturyLink ILECs and Qwest will institute a program with the executive complaint handlers for the treatment of consumer upheld WTAP complaints, to include the following:
 - i. A root cause analysis that indicates the cause of the problem leading to the customer complaint;
 - ii. The corrective action the company has taken to remedy the underlying problem;
 - iii. An issuance of a three-month service credit to the affected customer at the current applicable WTAP, Lifeline or Link-up rate, plus any additional credits that may be due the customer.
 - iv. Upon implementation of the Lifeline credit program, CenturyLink shall provide a quarterly report that shows by month:
 - (1) The total number of Lifeline complaints received under the program; and
 - (2) The total number of Lifeline credits that were issued during the preceding quarter.

This program shall remain in place for three years after the date of implementation.

- c. CenturyLink agrees to notify WTAP, Lifeline and tribal agencies of a name change if and when it occurs. The procedure includes the following:
 - i. Update all Lifeline materials to reflect the new name when it becomes final and approved for distribution.
 - ii. Update agency contact letters to reflect the name change message.
 - iii. Prepare a mailing list of all social service agencies on the CenturyLink ILEC or Qwest contact lists and send notifications along with Lifeline applications and flyers;
 - iv. Update the FYI Bulletin to reflect the message about the name change;
 - v. Send a Lifeline Bill Message to existing Lifeline customers prior to and after the change;
 - vi. Edit any Lifeline newspaper advertising to reflect the name change.

27. 911 Service

Immediately upon closing of the Transaction, CenturyLink shall continue to honor all contractual agreements held by Qwest associated with the provision of 911 service consistent with all terms and conditions of those agreements (see Qwest Communications Contract with Washington State Military Department, Contract number E09-196).

28. Rate Center Consolidation

Commission Staff identified 15 areas with two-way extended area local calling between CenturyLink ILEC rate centers for rate center consolidation. The Parties acknowledge that due to the costs of consolidating four of these areas, which would result in rate impacts for CenturyLink ILEC customers, CenturyLink will not pursue consolidation at this time in:

- Port Townsend
- Coulee City
- Davenport
- Rimrock

CenturyLink commits to completing rate center consolidations in other areas in Washington as set forth below. Immediately after all activities required for rate center consolidation in a particular area have been completed, CenturyLink will file a report with the Commission describing and confirming the consolidation. The report may accompany the tariff filing for the newly consolidated rate center.

- a. CenturyLink will file tariffs prior to the date the Transaction closes, but no later than August 30, 2011, reflecting the new rate center names within the following consolidated rate centers:
 - i. Lake Quinault
 - ii. Friday Harbor
 - iii. Kingston
 - iv. Forks
 - v. Long Beach

- b. CenturyLink will complete rate center consolidations and all activities required for rate center consolidation, including distribution of timely notifications and tariff filings reflecting the new rate center names, prior to the date the Transaction closes, but no later than June 30, 2011, for the following rate centers:
 - i. Puget Island/Cathlamet
 - ii. Benge/Ritzville

- c. CenturyLink will complete rate center consolidations and all activities required for rate center consolidation, including distribution of timely notifications and tariff filings reflecting the new rate center names, within 12 months of the date the Transaction closes, but no later than June 30, 2012, for the following rate centers:
 - i. Basin City, Mesa, Connell, Kahlotus – new rate center name “Connell”
 - ii. Mathews Corner, Eltopia – new rate center name “Mathews Corner”
 - iii. Chewelah, Hunters – new rate center name “Chewelah”
 - iv. Winthrop, Twisp – new rate center name “Twisp”

The parties agree that further rate center consolidation by CenturyLink ILECs need not be addressed upon completion of these rate center consolidations. Decisions by this Commission or the FCC may require future rate center consolidations.

29. Customer Notice

Within 30 days of closing of the Transaction, CenturyLink will give individual notice to its customers explaining that the Transaction has been approved subject to certain conditions. The notice will provide UTC and company phone numbers for questions and will notify customers that information regarding the Transaction's approval and conditions can be obtained from the UTC website at docket number UT-100820. CenturyLink will work with Commission Staff and Public Counsel on the content of the notice.

CenturyLink commits to send notice to affected customers if any of the CenturyLink ILECs or Qwest undergoes a name change. Prior to any name change becoming effective in Washington, CenturyLink will work with Commission Staff and Public Counsel on the content of a notice informing the affected customers of the name change, if applicable.

CenturyLink will file copies of the notice(s) above with the Commission after issuance, together with a description of the manner and timing of the notice.

Defined Terms and Glossary

TERM	DEFINITION
10K Report	Annual report of a company's performance required by the Securities and Exchange Commission
10Q Report	Quarterly status report of a company's performance required by the Securities and Exchange Commission
AFOR	Alternative Form of Regulation; see RCW 80.36.135
CenturyLink	CenturyLink, Inc., the parent company
CenturyLink ILECs	CenturyLink's pre-Transaction Washington local exchange carriers: <ul style="list-style-type: none"> • CenturyTel of Washington, Inc. • CenturyTel of Cowiche, Inc. • CenturyTel of Inter-Island, Inc. • United Telephone Company of the Northwest
CSGP	Customer Service Guarantee Program
Transaction's close/close of the Transaction	The date of "closing" as set forth in SECTION 1.02 of Agreement and Plan of Merger, dated April 21, 2010, at Exhibit C to Joint Application of Qwest Communications International Inc. and CenturyTel, Inc. for Approval of Indirect Transfer of Control
CLEC	Competitive local exchange carrier
EBITDA	Earnings before interest, taxes, depreciation and amortization
ILEC	Incumbent local exchange carrier
Joint Applicants	CenturyLink and QCII
OSS	Operational Support Systems
QCII	Qwest Communications International Inc.
Qwest	Qwest Corporation, QCII's local exchange carrier operations in Washington
Parties	Joint Applicants, Commission Staff, and Public Counsel
Transaction	The term used in the Direct Testimony of Mark Reynolds at page 3, line 11; the acquisition of QCII by CenturyLink, the subject of this docket
WTAP	Washington Telephone Assistance Program; see RCW 80.36.420; Chapter 480-122 WAC

APPENDIX D

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Joint Application of)	
QWEST COMMUNICATIONS)	
INTERNATIONAL INC. AND)	DOCKET NO. UT-100820
CENTURYTEL, INC.)	
)	
For Approval of Indirect Transfer of)	SETTLEMENT AGREEMENT
Control of Qwest Corporation, Qwest)	AND STIPULATION
Communications Company LLC, and)	
Qwest LD Corp.)	
_____)	

1 This Settlement Agreement and Stipulation (“Agreement”) is entered into between Qwest Communications International Inc. (“Qwest”), CenturyLink, Inc. (“CenturyLink”) (collectively, “Applicants”) and the U.S. Department of Defense and All Other Federal Executive Agencies (“DoD/FEA”) (collectively “Parties” or individually a “Party”).

A. Background

2 On May 13, 2010, the Applicants filed with the Washington Utilities and Transportation Commission (“the Commission”) an Application for approval of the indirect transfer of control of Qwest and its affiliates (the “merger” or “transaction”). The Applicants submitted Direct Testimony on May 13, 2010, and Rebuttal Testimony on November 1, 2010. Granted intervenor status on June 10, 2010, DoD/FEA submitted Responsive Testimony on September 27, 2010. In its testimony, DoD/FEA raised a number of issues in connection with the proposed transaction. The Parties subsequently engaged in settlement discussions to address DoD/FEA’s contested issues and now enter voluntarily into this Agreement to resolve all contested issues among the Parties in the proceeding and

to expedite the orderly disposition of this proceeding. The Commission's Staff and Public Counsel also entered into a Settlement Agreement with Applicants, filed on December 23, 2010. That settlement resolved many of DoD/FEA's issues in this proceeding.

B. Nature of Agreement

3 This Agreement is a "Multiparty Settlement" within the meaning of WAC 480-07-730(3). The Parties agree that this Agreement resolves all contested issues among them in this docket, that the merger with this associated Agreement is in the public interest, and thus that the Commission should approve the merger with this associated Agreement. The Parties further understand that DoD/FEA and the Applicants have agreed to the terms of this Agreement based upon the Commission's approval of the merger with this associated Agreement. The Parties further understand that this Agreement is subject to Commission approval and that any parties opposed to the Commission's adoption of the Agreement retain certain rights under WAC 480-07-740(2)(c).

C. Positions Are Not Conceded

4 In reaching this Agreement, no Party accedes to any particular argument made by any other Party.

D. Agreed Conditions on Approval of the Transaction

5 All of the conditions agreed upon by the Parties are set forth in Attachment 1 to this Agreement. All conditions in Attachment 1 apply for three years following

closing of the transaction unless otherwise specifically noted in the condition in Attachment 1.

E. Effective Date

- 6 The effective date of the Agreement is the date the transaction closes. Notwithstanding the effective date of the Agreement as a whole, Sections G and H below, which require the Parties to support the Agreement before the Commission and govern publicity regarding the Agreement, are effective on the execution date of the Agreement. The execution date of the Agreement is the date of the latest signature.
- 7 If the Commission rejects the Agreement, the Agreement shall terminate, and the parties respectfully request that the Commission will instead enter an order on all contested issues. In the event the Commission accepts the Agreement upon conditions not proposed herein, or alters or rejects any portion of the Agreement, the procedures set forth in Section I below shall apply.
- 8 If the Applicants terminate their merger agreement or otherwise decide not to pursue the transaction then this Agreement shall be void.

F. Filing of the Agreement

- 9 The Applicants will file this Agreement, and the Parties hereby state that the Agreement is the complete and final resolution of all contested issues raised by DoD/FEA in this proceeding. The Parties agree that the DoD/FEA will submit its pre-filed testimony into the administrative record; however, the Parties also agree

that the DOD/FEA pre-filed testimony is deemed superseded by this Agreement. The Parties will offer one or more witnesses during the hearings in support of this Agreement.

G. Support of the Agreement

10 All Parties agree to use their best efforts to support the Agreement as a settlement of all contested issues in the pending proceeding. At a minimum, the Parties will provide supporting witnesses to: (a) sponsor the Agreement at a Commission hearing if so required; (b) state that the Agreement resolves the Parties' contested issues in this proceeding; (c) provide such other evidence or briefing that the Commission may require pursuant to WAC 480-07-740(2); and (d) state that the merger with this associated Agreement is in the public interest. No Party to this Agreement or their agents, employees, consultants or attorneys will engage in any advocacy contrary to this Agreement or support any other party's proposed conditions to the merger or opposition to this Agreement before the Commission or otherwise in this proceeding, excluding settlements between the Applicants and other parties.

H. Publicity

11 All Parties agree: (1) to provide all other Parties the right to review and approve in advance of publication any and all announcements or news releases that any other Party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements) and (2) to include in any news release or announcement a

statement that in this jurisdiction the merger with this associated Agreement is in the public interest.

I. Procedure if the Commission Alters or Rejects any Portion of the Agreement

12 In the event the Commission alters or rejects this Agreement, the Parties propose that the Commission decide all contested issues as explained in Section E. In the event the Commission accepts the Agreement upon conditions not proposed herein, each Party reserves its right, upon written notice to the Commission and the parties within five (5) business days of the Commission's Order, to state its rejection of the conditions and withdrawal from the Agreement with the effect of respectfully requesting the Commission decide all contested issues as provided above.

J. The Agreement as Precedent

13 The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty and delay. Nothing in this Agreement (or any testimony, presentation or briefing in this proceeding) shall be asserted or deemed to mean that a Party agreed with or adopted another Party's legal or factual assertions in this proceeding. The limitations in this paragraph shall not apply to any proceeding to enforce the terms of this Agreement or any Commission order adopting this Agreement in full.

14 Because this Agreement represents a compromise position of the Parties in this Commission's proceeding, the Parties agree that no conduct, statements or

documents disclosed in the negotiation of the Agreement shall be admissible as evidence in this or any other proceeding. This paragraph does not apply to non-privileged, publicly available documents.

- 15 Furthermore, because this Agreement represents a compromise position of the Parties in this Commission's proceeding, no Party may use this Agreement or the testimonies or pleadings and briefs of any other Party in this proceeding as precedent on the appropriateness of the positions of that other Party in any other proceeding.

K. Entire Agreement

- 16 The Parties acknowledge that this Agreement is the product of negotiations and compromise and shall not be construed against any Party on the basis that it was the drafter of any or all portions of this Agreement. This Agreement constitutes the Parties' entire agreement on all matters set forth herein, and it supersedes any and all prior oral and written understandings or agreements on such matters that previously existed or occurred in this proceeding, and no such prior understanding or agreement or related representations shall be relied upon by the Parties.

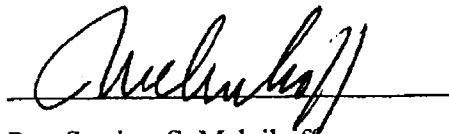
L. Manner of Execution

- 17 This Agreement is considered executed when all Parties sign the Agreement. A designated and authorized representative may sign the Agreement on a Party's behalf. The Parties may execute this Agreement in counterparts. If the Agreement is executed in counterparts, all counterparts shall constitute one agreement. A faxed or electronic transmission signature page containing the

signature of a Party is acceptable as an original signature page signed by that Party. Each Party shall indicate the date of its signature on the Agreement.

DATED this 29th day of December, 2010.

U.S. DEPARTMENT OF DEFENSE AND
ALL OTHER FEDERAL EXECUTIVE AGENCIES



By: Stephen S. Melnikoff

Attorney for DoD/FEA

12/29/10
Date

QWEST COMMUNICATIONS INTERNATIONAL INC.

By:

Date

CENTURYLINK, INC.

By:

Date

ATTACHMENT 1

1. VOLUME AND TERM PRICE PLAN ("Plan"):

- This Plan is being offered to the U.S. Government and its agencies on an individual case basis ("ICB") pursuant to applicable state regulations.

- The post-merger company will not increase current (as of the execution date of the Agreement) pricing on retail Business Lines with or without CenturyLink/Qwest Packages (single or multi-line), Centrex, Qwest Utility Line™, and PBX trunks for three years after the execution of this Agreement.

- If, at commencement or during the volume and term price plan duration, the rate charged for any Service covered by this Agreement is higher than the price listed in the applicable Tariff, Service Catalog or Price List, then the post-merger company shall reduce the price for such Services to the lower Tariff, Service Catalog or Price List rate, and the price commitment shall apply to such price.

- This Agreement is contingent on the U.S. Government and its agencies in Washington maintaining total service levels that result in billings by the post-merger company that are at least 90% of the average quarterly billings for the four quarters preceding the date of this Agreement. If, after notice from the post-merger company, the total service billings remain continuously below the 80% level for 180 days, the Plan may be terminated by the post-merger company. This Agreement is also contingent upon approval of the Agreement and of the CenturyLink/Qwest merger by the Washington Utilities and Transportation Commission ("WUTC" or "Commission").

- Customer may move or add Service if the post-merger company commercially offers such options, and Customer agrees to pay all standard applicable charges related to such changes. Services that are added or changed will be covered by this Plan.

- CenturyLink and Qwest commit that all service quality requirements that are part of any WUTC order relating to the proposed merger, as well as any other service quality requirements ordered by the Commission, shall be applicable to service provided to the U.S. Government and its agencies under this Agreement.

- This Agreement may be extended with the mutual consent of the parties. After the initial three years, this Agreement may be terminated by either party with 60 days notice.

- The Plan does not affect existing Federal Government contracts.

2. EMPLOYEES HOLDING SECURITY CLEARANCES:

Qwest currently provides services to the U.S. Government under several contracts that require the services of Qwest employees who hold U.S. Government security clearances. Both Qwest and CenturyLink recognize the importance of assuring that the services provided under these contracts are not disrupted by the integration of CenturyLink and Qwest after their merger is finalized. CenturyLink and Qwest therefore commit that the merger of the two companies will not result in a reduction of service quality as a result of the separation from employment of employees who hold security clearances and who are engaged in providing services to the Government that require employees with such clearances, in accordance with contract provisions. CenturyLink and Qwest affirm that no organizational or personnel changes will impair either the post-merger company's ability to perform under existing contracts or its ability to bid on new contracts that require security clearances of company's personnel.

APPENDIX E



February 4, 2011

Paul B. Jones
Executive Vice President
tw telecom
10475 Park Meadows Dr.
Littleton, CO 80124

RE: CenturyLink/Qwest Transaction

Dear Paul:

The purpose of this letter is to memorialize the terms and understanding among CenturyLink, Inc. ("CenturyLink"), Qwest Communications International, Inc. ("QCII") ("Joint Applicants"), and tw telecom ("tw telecom") in satisfaction of the issues raised by tw telecom before state regulatory commissions and the Federal Communications Commission ("FCC") regarding the proposed acquisition by CenturyLink of Qwest (the "Transaction").¹ In consideration of the Agreement outlined herein, tw telecom agrees that its objections, issues and proposed conditions related to the Transaction are resolved. Tw telecom agrees it will offer no advocacy (directly or indirectly) contrary to this Agreement or otherwise participate in the regulatory review of the Transaction to advance objections, issues or proposed conditions related to the Transaction or potential consequences of the Transaction. For avoidance of doubt, it is understood and acknowledged that either Party may continue to participate in pending and future FCC proceedings regarding, among other issues, special access pricing and performance quality, and Ethernet pricing and service quality, except that, in doing so, tw telecom will not address the Transaction or potential consequences of the Transaction. To the extent permitted, tw telecom further agrees that it will withdraw its intervention, testimony, briefs, and other advocacy in opposition to the Transaction before the state public utility commissions and the FCC.

¹ See, *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc., d/b/a CenturyLink for Consent to Transfer of Control*, WC Dkt. No. 10-110 (rel. May 28, 2010) and description of the Plan of Merger contained therein ("Transaction"); and corresponding state applications.

Tw telecom has elected to opt-into the terms of the November 6, 2010 Integra Settlement.² Tw telecom agrees that the terms of the Integra Settlement, together with the following clarifications, modifications or additional commitments, satisfactorily resolve the issues of tw telecom. To the extent there is an inconsistency between the terms of the Integra Settlement and the following, the following terms will control:

- 1) In the legacy Qwest ILEC service territory, the Merged Company shall continue to provide to tw telecom at least the reports of wholesale performance metrics that legacy Qwest made available, or was required to make available, to tw telecom as of the Merger Closing Date for a period of no less than two years.
- 2) In the legacy Qwest ILEC service territory, the Merged Company shall continue to provide to tw telecom, under the same terms, the quality of service performance comparable to that which Qwest provided to tw telecom for special access and long haul services as of the Merger Closing Date for a period of no less than two years from the Merger Closing Date.
- 3) In the legacy Qwest ILEC service territory, the Merged Company shall continue to participate in special access service and long haul performance review meetings with tw telecom at the same frequency level as provided as of the Merger Closing Date for a period of no less than two years from the Merger Closing Date.
- 4) In the legacy Qwest ILEC service territory, the Merged Company shall extend the Qwest Regional Commitment Plan (RCP) currently opted into by tw telecom through the Merger Closing Date, including its currently effective term, volume, and rate stability commitments, and for another twelve months beyond the expiration of the then existing term or May 31, 2013, whichever is later, unless tw telecom indicates it opts out of this extension.³
- 5) The Merged Company shall continue to provide IP peering consistent with the terms and obligations of the Bi-lateral Peering Agreement as of the Merger Closing Date for a period of twenty-four months from the Merger Closing Date, provided that tw telecom meets all the requirements outlined in the Agreement and otherwise complies with the traffic ratios outlined in Qwest's

² To the extent applicable, references to "Integra" or "CLECs" within the terms of the Integra Settlement will be deemed to be references to "tw telecom" for purposes of the understanding memorialized in this letter.

³ If the Transaction is not closed by May 31, 2011, the Parties agree to renegotiate the date in order to provide a comparable extension to tw telecom.

peering policy found at http://www.qwest.com/legal/peering_na.html as published on the date of this Agreement. Qwest agrees not to change the peering policy published on its website after execution of this Agreement and prior to the Merger Closing Date. In addition, the Merged Company and tw telecom shall jointly work on capacity upgrades at no greater than 80% utilization per circuit or logical circuit bundle to be completed prior to 90% utilization to ensure customer traffic and performance is not adversely impacted.

6) The Merged Company shall continue to offer an Annual Incentive Plan (AIP) program to tw telecom through December 31, 2013. The AIP for 2012 and the AIP for 2013 shall be offered under the same basic terms and conditions in effect as of the Merger Closing Date, subject to the renegotiation of the base revenue, credit tiers, and discounts annually.

Additionally, nothing in this Agreement shall prevent tw telecom from obtaining the benefit of any inconsistent or additional FCC, or state commission condition imposed in that state, whether they are based on voluntary commitments by the merging parties or conditions mandated by the FCC or state commission, or otherwise. Moreover, both Parties acknowledge and agree that there is nothing in the Integra Settlement or the specific terms of this Agreement that limits either Party's right to enforce the provisions of this Agreement in an appropriate forum of competent jurisdiction, which may include a state commission, FCC, state or federal court, as appropriate and consistent with its jurisdiction. In the event that either Party reasonably believes in good faith that the other Party has materially breached the provisions of this Agreement, the Party must provide written notice specifying the breach and providing a 30-day period to cure, during which time any applicable limitations period shall be tolled. If not cured, the non-breaching Party may initiate an appropriate action before a court of competent jurisdiction, the state commission or FCC, to the extent the court, FCC or state commission finds it consistent with its jurisdiction. Such remedy is not exclusive. In addition, neither Party waives its right to oppose such a request, claim, or action.

Please confirm that this letter accurately describes your understanding and agreement to these terms by signing in the space provided below, and return the executed copy to the attention of Linda Gardner. Parties may execute the Agreement in counterparts and all counterparts shall constitute one agreement. A faxed, or scanned and emailed, signature page containing the signature of a Party is acceptable as an original signature page signed by that party. This Agreement is considered executed when all Parties sign below. The Parties agree that this Agreement is not

confidential and that it will be filed with the state and federal commissions, as appropriate, upon execution.

CENTURYLINK, INC.

By: William E. Cheek, President Wholesale Operations
Dated:

QWEST COMMUNICATIONS INTERNATIONAL INC.

By: R. Steven Davis, Sr VP—Public Policy & Government Relations
Dated:

tw telecom

By: Paul B. Jones, Executive Vice President
Dated:

confidential and that it will be filed with the state and federal commissions, as appropriate, upon execution.

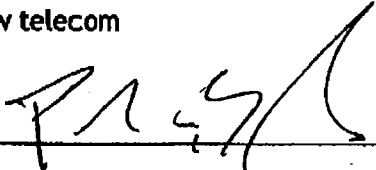
CENTURYLINK, INC.

By: William E. Cheek, President Wholesale Operations
Dated:

QWEST COMMUNICATIONS INTERNATIONAL INC.

By: R. Steven Davis, Sr VP—Public Policy & Government Relations
Dated:

tw telecom



By: Paul B. Jones, Executive Vice President
Dated: February 4, 2011

confidential and that it will be filed with the state and federal commissions, as appropriate, upon execution.

CENTURYLINK, INC.

By: William E. Cheek, President Wholesale Operations
Dated:

QWEST COMMUNICATIONS INTERNATIONAL INC.



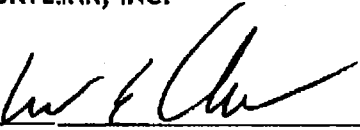
By: R. Steven Davis, Sr VP-Public Policy & Government Relations
Dated: FEB. 4, 2011

tw telecom

By: Paul B. Jones, Executive Vice President
Dated:

confidential and that it will be filed with the state and federal commissions, as appropriate, upon execution.

CENTURYLINK, INC.



By: William E. Cheek, President Wholesale Operations

Dated: 2/4/11

QWEST COMMUNICATIONS INTERNATIONAL INC.

By: R. Steven Davis, Sr VP—Public Policy & Government Relations

Dated:

tw telecom

By: Paul B. Jones, Executive Vice President

Dated: