

TERRA Product Descriptions & Pricing

NETWORK DESCRIPTION:

TERRA (operated by a deregulated division of United Utilities, Incorporated (UUI)) is a middle mile terrestrial interstate broadband network connecting Anchorage with the TERRA communities. The TERRA network provides broadband transport services that are non-contended, Layer Two Ethernet in 1 Mbps increments.

TERRA NETWORK LOCATIONS:

Customers may order service delivery at any of the following TERRA network locations.

AKIACHAK	GOODNEWS BAY	MARSHALL	PLATINUM
AKIAK	GRAYLING	MEKORYUK	PORT ALSWORTH
ALAKANUK	HOLY CROSS	MINTO	QUINHAGAK
ALEKNAGIK	HOOPER BAY	MOUNTAIN VILLAGE	RUBY
ANCHORAGE	IGIUGIG	NAKNEK	RUSSIAN MISSION
ANIAK	ILLIAMNA	NAPAKIAK	SCAMMON BAY
ANVIK	KASIGLUK	NAPASKIAK	SHAGELUK
ATMAUTLUAK	KING SALMON	NEW STUYAHOK	SHAKTOOLIK
BETHEL	KIPNUK	NEWHALEN	SOUTH NAKNEK
CHEFORNAK	KOKHANOK	NEWTOK	ST. MARY'S
CHEVAK	KOLIGANEK	NIGHTMUTE	TANANA
CHUATHBALUK	KONGIGANAK	NOME	TOGIAK
CLARKS POINT	KOTZEBUE	NONDALTON	TOKSOOK BAY
DILLINGHAM	KWETHLUK	NUNAM IQUA	TULUKSAK
EEK	KWIGILLINGOK	NUNAPITCHUK	TUNTUTULIAK
EKWOK	LEVELOCK	OSCARVILLE	TUNUNAK
EMMONAK	LOWER KALSKAG	PEDRO BAY	TWIN HILLS
GALENA	MANLEY	PILOT STATION	UNALAKLEET
	MANOKOTAK	PITKA'S POINT	UPPER KALSKAG

Additional locations may be added in the future and will be offered under the same terms and conditions and included in availability under existing service contracts, as the original locations.

The customer is responsible for transport from the TERRA network location premises to the customer premises.

ETHERNET SERVICE:

Ethernet Network Service Description: Customers have full symmetrical access to the configured capacity with availability of 99.95% or no greater than 1296 seconds of outage per month (the “Availability Standards”). Designed to provide point-to-point or point-to-multi-point connectivity, each Ethernet Network shall be comprised of one hub port at one location and one or more edge ports at different additional locations. Customers may order multiple networks, including multiple hub and edge port pairs for point-to-point service, or hub to multiple edge port combinations, within their overall volume commitment. Only one hub port may be ordered per network.

Ethernet Network Service is postalized; the price per port does not vary depending on route or distance. No additional usage charges apply.

SERVICE LEVEL:

- Round trip latency not to exceed 70 milliseconds
 - Measured using ITU-T Y.1564 standard tests
 - Measured TERRA POP to TERRA POP

TERMS & CONDITIONS FOR ETHERNET:

1. Subject to TERRA Ethernet availability, TERRA shall provide to the customer non-contended, Layer 2 Ethernet service among TERRA locations.
2. An Ethernet service network shall consist of one hub port at a single location and Edge Port(s) at one or more different locations.
3. Aggregate Ethernet hub capacity and aggregate Ethernet edge capacity each must be ordered in increments of one Mbps, although the capacity may be provisioned in increments of less than one Mbps at individual location(s).
4. The aggregate Ethernet capacity of the hub port in a service network shall equal the aggregate Ethernet capacity of the edge ports in a service network.
5. One or more service networks may be ordered under a single contract.
6. During the service term and subject to any conditions in the contract, customer shall be entitled to change the allocation of the aggregate Ethernet hub and edge capacity (including the modification or elimination of existing Service Networks and the creation of new Service Networks) among TERRA Locations so long as such reallocation:
 - (a) Meets the requirements of paragraphs 2, 3, and 4 above.
 - (b) In the sole judgment of UUI, is technically feasible and commercially reasonable, taking into account, among other factors, TERRA’s available capacity.

- (c) Does not have the effect of reducing the total Monthly Recurring Charges set forth in customer's service contract.
- 7. Additional capacity may be added during the term of the contract, subject to the requirements in paragraphs 2. 3. And 4. This incremental capacity must be maintained for the remaining duration of the contract term and shall not change the contracted capacity.
- 8. Termination penalties shall not apply if the customer replaces a current contract with a new contract having a service term greater than or equal to the remaining term of service under the current contract and having monthly charges under the new contract greater than or equal to the monthly charges under the current contract. If two or more current contracts are replaced with a single contract, the new contract must have a term of service greater than or equal to the longest remaining term of service in any of the contracts being replaced, and the monthly charges under the new contract must be greater than or equal to the aggregate monthly charges in all contracts being replaced.
- 9. Pricing shall be determined in accordance with the pricing table below as follows:

 - a. Totaling the aggregated hub capacity ordered under a single contract for the applicable term, apply the hub pricing table below.
 - b. Totaling all the edge capacity ordered under a single contract, apply the edge pricing table set out below.
- 10. Service outage credits are granted upon request if the Availability Standards are not met.
- 11. In the event of an outage at a TERRA network location where a customer has ordered service, service may be reconfigured within the TERRA network, as available, to re-route traffic; satellite or alternative network backup is not provided. Network reconfiguration for restoration purposes in the event of service outage may be made available on an individual case basis.
- 12. UUI is authorized to provide interstate interexchange services and broadband service on TERRA; customer must ensure that the requested and provisioned services meet this criteria.

TERRA ETHERNET PRICING TABLE:

MONTHLY RECURRING CHARGES (MRC):

2015 TERRA Pricing

HUB PORT/EDGE PORT (MONTHLY RECURRING CHARGES PER 1 MBPS OF SERVICE)											
Hub Port Component per 1Mbps						Edge Port Component per 1Mbps					
Mbps	1 YEAR	3 YEAR	5 YEAR	10 YEAR	25 YEAR	Mbps	1 YEAR	3 YEAR	5 YEAR	10 YEAR	25 YEAR
1-25 MBPS	\$900	\$800	\$700	\$600	\$400	1-25 MBPS	\$7,650	\$6,800	\$5,950	\$5,100	\$3,400
26-50 MBPS	\$882	\$784	\$686	\$588	\$392	26-50 MBPS	\$7,497	\$6,664	\$5,831	\$4,998	\$3,332
51-100 MBPS	\$864	\$768	\$672	\$576	\$384	51-100 MBPS	\$7,344	\$6,528	\$5,712	\$4,896	\$3,264
101-150 MBPS	\$846	\$752	\$658	\$564	\$376	101-150 MBPS	\$7,191	\$6,392	\$5,593	\$4,794	\$3,196
151-200 MBPS	\$810	\$720	\$630	\$540	\$360	151-200 MBPS	\$6,885	\$6,120	\$5,355	\$4,590	\$3,060
201-250 MBPS	\$765	\$680	\$595	\$510	\$340	201-250 MBPS	\$6,503	\$5,780	\$5,058	\$4,335	\$2,890
251-300 MBPS	\$675	\$600	\$525	\$450	\$300	251-300 MBPS	\$5,738	\$5,100	\$4,463	\$3,825	\$2,550
301-400 MBPS	\$540	\$480	\$420	\$360	\$240	301-400 MBPS	\$4,590	\$4,080	\$3,570	\$3,060	\$2,040
400+ MBPS	\$495	\$440	\$385	\$330	\$240	400+ MBPS	\$4,208	\$3,740	\$3,273	\$2,805	\$2,040

Hub month-to-month pricing (per 1Mbps): \$1,000
 Edge month-to-month pricing (per 1Mbps): \$8,500

In lieu of the standard capacity/term discount, Critical Community Facilities can elect to receive a 25% discount off the month-to-month rate.

Critical Community Facilities means public facilities that provide community services essential for supporting the safety, health, and well-being of residents, including, but not limited to, emergency response and other public safety activities, hospitals and clinics, libraries and schools.

NON-RECURRING CHARGES (NRC):

No fee shall be charged to initially provision service on TERRA. Subsequently, an NRC of \$95.00 (per hub or edge port) shall be charged for any Service Network change.

PORT EXTENSION CHARGES:

A Port Extension provides a connection between a TERRA Port and a customer's premises at the same TERRA location. See "Port Extensions" under Other Terms and Conditions for a full description.

Port Extension Capacity	NRC	MRC
1 to 10 Mbps	ICB	\$300 per Port Extension
11 to 20 Mbps	ICB	\$350 per Port Extension
21 to 30 Mbps	ICB	\$400 per Port Extension
31 to 40 Mbps	ICB	\$420 per Port Extension
41 to 100 Mbps	ICB	\$450 per Port Extension
Rate applies to an individual Port Extension.		

Mbps are measured at the specific port where the Port Extension is ordered, and not aggregated across multiple Port Extensions.
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Port Extensions are location-specific and may not be re-located.

OTHER TERMS AND CONDITIONS:

Other charges may be incurred for conditioning, modems, etc. The customer is responsible for paying actual charges determined at the time of installation. The customer is responsible for all applicable charges and surcharges imposed by other carriers for local connections.

PORT EXTENSIONS:

TERRA may provide a Port Extension on its facilities where available to a customer premises within the same local exchange area as the TERRA location where the customer has purchased a Port. Port Extensions include transport and termination equipment at the customer premise. Port Extension capacity may not exceed the Port to which it is connected. Port Extension charges are in addition to the Port charge at the TERRA endpoint. Port Extension charges include non-recurring charges and monthly recurring charges. Port Extensions outside a local exchange area will be considered on an individual case basis and recurring and non-recurring charges may vary.

TERMINATION:

Following the expiration of the contract-specified service term, services will continue on a month-to-month basis until such time that UUI receives written notice of termination which shall be provided to UUI by the Customer no less than sixty (60) days prior to the requested termination date.

CREDIT:

A cash deposit or commercial letter of credit may be required based on a customer's financial qualifications and the combined value of all payments required under the Service Order.

LIQUIDATED DAMAGES:

Failure to honor the Capacity/Term Commitments will result in damages to UUI. Liquidated damages will be calculated in accordance with the following formula:

- (a)** The stream of MRCs from the date that the customer fails to honor the Capacity/Term Commitments (the "Breach Date") through the date the Term ends shall be discounted to present value, using a discount rate of 10%.
- (b)** Any payments owed by the customer prior to the Breach Date shall be added to the amount calculated above.
- (c)** Any payments received from the customer after the Breach Date shall be subtracted from the amount calculated under this section.
- (d)** The amount calculated under this section shall be the liquidated damages owed by customer to UUI.

LOCAL ACCESS CIRCUITS:

Customer shall be responsible for arranging for and paying for local telephone or other tail circuit facilities (including facilities provided by UUI in its capacity as a local exchange carrier), to connect the TERRA location POP to the customer premises.

BACKUP SERVICE:

Customer shall be responsible for arranging and paying for satellite or any alternative service to provide back-up protection for the service provided by TERRA.