

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

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”). Ethernet Service is designed to provide point-to-point or point-to-multi-point connectivity. 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 distance. No additional usage charges apply.

SERVICE LEVEL FOR ETHERNET SERVICE:

- Round trip latency not to exceed 50 milliseconds
- Packet loss not to exceed 0.1% on average over 30 days
- Jitter not to exceed 20 milliseconds on average over 30 days

Service levels are measured using ITU-T Y.1731 standard tests from TERRA POP to TERRA POP

TERMS & CONDITIONS FOR ETHERNET:

1. In addition to these Terms & Conditions, the provisions of Ethernet Service is subject to a contract between UUI and customer.
2. Subject to TERRA Ethernet availability, TERRA shall provide to the customer non-contended, Layer 2 Ethernet service among TERRA locations.
3. An Ethernet service network shall consist of one hub port at a single location and one or more Edge Port(s) at one or more different locations.
4. 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).
5. 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.
6. One or more service networks may be ordered under a single contract.
7. 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 3, 4, and 5 above.
 - (b) In the sole judgment and discretion 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.
8. Additional capacity may be added during the term of the contract, subject to the requirements in paragraphs 3, 4, and 5. This additional capacity must be maintained for the remaining duration of the contract term and shall not change the contracted capacity.
 9. Termination penalties pursuant to a contract shall not apply if the customer replaces a current contract with a new contract that has 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.
 10. Pricing shall be determined in accordance with the pricing tables below as follows:
 - (a) Totaling the aggregated hub capacity in Tables 1 and 2 ordered under a single contract for the applicable term, apply the hub pricing table below.
 - (b) Totaling all the edge capacity in Tables 1 and 2 ordered under a single contract, apply the edge pricing table set out below.
 11. Service outage credits are granted upon request if the Availability Standards are not met.
 12. 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.
 13. 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.

PORT EXTENSION SERVICE:

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 and 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.

MULTIPLEXING AND PRIORITIZATION SERVICE:

TERRA may provide on its equipment and facilities where available, port multiplexing and traffic prioritization. At any TERRA location and for any Service Network, the customer may offer traffic beyond the Hub or Edge Port capacity provisioned and may mark traffic with QoS and/or CoS tagging. Customer traffic on the configured Service Network(s) will be accommodated up to the aggregate Hub and Edge Port capacity provisioned for all customer Service Networks at that location.

Multiplexing and Prioritization changes include non-recurring charges and monthly recurring charges.

TERRA ETHERNET PRICING TABLE:

MONTHLY RECURRING CHARGES (MRC):

HUB PORT/EDGE PORT (MONTHLY RECURRING CHARGES PER 1 MBPS OF SERVICE)

Table 1- TERRA SERVICES BETWEEN ANCHORAGE AND A REGIONAL CENTER (BETHEL, DILLINGHAM, KOTZEBUE, KING SALMON & NOME)										
Aggregate Capacity	Hub Port Components per 1 Mbps					Edge Port Components per 1 Mbps				
	1 Year	3 Years	5 Years	10 Years	25 Years	1 Year	3 Years	5 Years	10 Years	25 Years
1-100 Mbps	\$ 778	\$ 691	\$ 605	\$ 518	\$ 346	\$ 6,610	\$ 5,875	\$ 5,141	\$ 4,406	\$ 2,938
101-150 Mbps	\$ 761	\$ 677	\$ 592	\$ 508	\$ 338	\$ 6,472	\$ 5,753	\$ 5,034	\$ 4,315	\$ 2,876
151-200 Mbps	\$ 729	\$ 648	\$ 567	\$ 486	\$ 324	\$ 6,197	\$ 5,508	\$ 4,820	\$ 4,131	\$ 2,754
201-250 Mbps	\$ 689	\$ 612	\$ 536	\$ 459	\$ 306	\$ 5,853	\$ 5,202	\$ 4,552	\$ 3,902	\$ 2,601
251-300 Mbps	\$ 608	\$ 540	\$ 473	\$ 405	\$ 270	\$ 5,164	\$ 4,590	\$ 4,017	\$ 3,443	\$ 2,295
301-400 Mbps	\$ 486	\$ 432	\$ 378	\$ 324	\$ 216	\$ 4,131	\$ 3,672	\$ 3,213	\$ 2,754	\$ 1,836
400+Mbps	\$ 446	\$ 396	\$ 347	\$ 297	\$ 216	\$ 3,787	\$ 3,366	\$ 2,946	\$ 2,525	\$ 1,836

Hub month-to-month pricing (per 1 Mbps)	\$864
Edge port month-to-month pricing (per 1 Mbps)	\$7,344

**Table 2-
TERRA SERVICES BETWEEN ALL TERRA SERVICE LOCATIONS OTHER THAN THOSE DESCRIBED IN TABLE 1**

Aggregate Capacity	Hub Port Components per 1 Mbps					Edge Port Components per 1 Mbps				
	1 Year	3 Years	5 Years	10 Years	25 Years	1 Year	3 Years	5 Years	10 Years	25 Years
1-100 Mbps	\$ 864	\$ 768	\$ 672	\$ 576	\$ 384	\$ 7,344	\$ 6,528	\$ 5,712	\$ 4,896	\$ 3,264
101-150 Mbps	\$ 846	\$ 752	\$ 658	\$ 564	\$ 376	\$ 7,191	\$ 6,392	\$ 5,593	\$ 4,794	\$ 3,196
151-200 Mbps	\$ 810	\$ 720	\$ 630	\$ 540	\$ 360	\$ 6,885	\$ 6,120	\$ 5,355	\$ 4,590	\$ 3,060
201-250 Mbps	\$ 765	\$ 680	\$ 595	\$ 510	\$ 340	\$ 6,503	\$ 5,780	\$ 5,058	\$ 4,335	\$ 2,890
251-300 Mbps	\$ 675	\$ 600	\$ 525	\$ 450	\$ 300	\$ 5,738	\$ 5,100	\$ 4,463	\$ 3,825	\$ 2,550
301-400 Mbps	\$ 540	\$ 480	\$ 420	\$ 360	\$ 240	\$ 4,590	\$ 4,080	\$ 3,570	\$ 3,060	\$ 2,040
400+Mbps	\$ 495	\$ 440	\$ 385	\$ 330	\$ 240	\$ 4,208	\$ 3,740	\$ 3,273	\$ 2,805	\$ 2,040

Hub month-to-month pricing (per 1 Mbps) \$960

Edge port month-to-month pricing (per 1 Mbps) \$8,160

CRITICAL COMMUNITY FACILITIES MINIMUM DISCOUNT:

For purposes of TERRA pricing, Critical Community Facilities (“CCF”) are public facilities that provide community services essential for supporting the safety, health and well being of residents. CCFs include, but are not limited to, emergency response, public safety, hospitals, health clinics, libraries and schools. In lieu of the standard term and volume discounts available in Table 1 and Table 2 above, CCFs may elect to receive a 25% discount off the TERRA published month-to-month rates.

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 Extension Service” above 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.		
Port Extensions are location-specific and may not be re-located.		

MULTIPLEXING AND PRORITIZATION SERVICE CHARGES:

NRC: \$500 per implementation or change for each Service Network

MRC: \$100 per month per Service Network

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.

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.