

GUIDELINES FOR THE
SALE OF CUSTOMER PREMISES WIRING (EMBEDDED)
AND
PURCHASE OF CUSTOMER PREMISES WIRING

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1. GENERAL

- 1.01 This section establishes Company policy concerning premises wiring sales and purchases. It also establishes specific procedures and assigns responsibilities among involved groups.
- 1.02 Whenever this section is reissued, the reason(s) for reissue will be listed in this paragraph.
- 1.03 This document is now a Southwestern Bell Telephone practice and replaces the Guidelines for the Sale and Purchase of Wire dated October, 1984.

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2. DEFINITIONS

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- 2.01 The following terms are defined as they are used in this procedure.
- 2.02 Affidavit - A notarized statement provided by the CPE Installation Supervisor, as required by Part 68.215 of the FCC Rules and Regulations, when the premises wiring is less than fully protected against hazardous voltage, excessive signal power, and longitudinal imbalance.
- 2.03 Agent - The authorized representative of the customer. The authorized representative may be a vendor, outside consultant, communications coordinator, carrier, etc. The agent must have written authorization from the customer to act on the customer's behalf in dealing with the Company. The customer may permit the agent to execute legally binding agreements on their behalf. (When in doubt as to the extent of an agent's responsibility, verify with customer.)
- 2.04 Building - The term "same building" is to be interpreted to mean a structure under one roof or two or more structures on one premises which are connected by an enclosed or covered passageway. In no case can conduit be considered as an enclosed passageway nor buildings connected by a covered public mall be the "same building."
- 2.05 Company - Southwestern Bell Telephone Company.
- 2.06 Complex Sales - Those sales involving any of the following:
- A. 232 wire with a sale price over \$25,000
 - B. 232 wire and 242 cable
 - C. 242 cable only
 - D. Any sale requiring a physical inventory
 - E. Extraordinary costs
- 2.07 Contact Negotiator - The person coordinating a sale transaction, normally the Premises Sales representative (Account Executive, Communications Consultant, etc.), Business Service Center (BSC) representative, or the CSPW. Coordination of a sale does not involve any price negotiation because the sale price for premises wiring is not negotiable.

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- 2.08 Coordinator for Sale and Purchase of Wire (CSPW) - A member of the local Business Service Center (BSC) Organization, who is responsible for the coordination of Company activities relating to the sale and purchase of premises wiring with the customer or his agent.
- 2.09 Customer - Reference to customer throughout this text should be interpreted to mean the owner or prospective purchaser of C.P.E.
- 2.10 Customer Premises Equipment (CPE) - Key, PBX, or similar systems owned or leased by the customer.
- 2.11 Customer Premises Wiring - Wire or cable (station and building) which connects separately housed equipment entities or system components with the telephone Demarcation Point/Network Interface and is located at the customer's premises and not within an equipment housing (definition contained in FCC Rules and Regulations, Part 68). For purposes of this procedure, the term "premises wiring" further includes the facilities (wire, cable, poles, conduit, etc.) between separate buildings on a customer's contiguous property.
- 2.12 Embedded Complex Inside Wire - That wire which was provided by the Company, associated with Company-provided complex systems which were in place prior to 1-1-84. Such wire includes associated connectors, jacks, and miscellaneous materials located within a customer's premises and on the customer's side of the Company-provided Network Interface.
- 2.13 Network Interface - The point of connection with the telecommunications network and the termination of the Exchange or WATs Access Line(s) or Private Line Channel(s). It is a Company-provided jack or its equivalent.
- 2.14 Premises -
- A. All portions of the same building occupied by the same customer, provided that:
 - 1. The portions are not separated from each other by intervening offices, rooms, or suites not occupied by the customer.
 - 2. The portions on different floors are contiguous and that the portion on the upper floor is directly above the portion occupied on the lower floor.

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B. All of the buildings occupied by the same customer, provided that:

All of the buildings are located on the same continuous plot of ground, all of which plot is owned and/or held under lease by the same customer, and the buildings are not intersected by a public vehicular thoroughfare which is governmentally owned.

- 2.15 Simple Sales - Those sales involving only 232 wire and an estimated price of less than \$25,000 where no physical inventory is required.
- 2.16 Structural Value to the Purchaser - Present value of physical plant to the purchaser. Structural value is computed as the reproduction cost new, determined or estimated on the basis of current equipment, material, engineering, and installation costs of the purchaser, less an allowance for physical and/or functional deterioration reflecting the age and condition of the plant, as well as such other properties as inadequacy, obsolescence, etc. Structural value to the purchaser is the maximum the Company should pay for a property and the minimum for which property should be sold.
- 2.17 Telephones or Terminations - Specific locations where salable cabling or wire exists for a communications station. Such stations may consist of a switchboard, console, turret, call director, telephone set, data set, etc. The "telephones or terminations" include locations where telephones are currently in service or where a station could be installed. For example: a 42A connecting block, a connectorized connecting cable, etc., to which a station could be connected.
- 2.18 Vendor - A communications equipment supplier who may or may not be an agent. The vendor supplies communication equipment and/or service to the customer.
- 2.19 232 Wire - The intrasystem wire between PBX/Key common equipment and telephone sets (terminations). This wire is usually contained within one building. This includes wiring associated with Centrex CO systems.

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NOTE: 232 wire used as Network Terminating Wire is retained by the Company and not for sale.

2.20 242 Cable - Frequently referred to as "black" cable and consists of outside plant facilities, "riser" cable, "house" cable, aerial cable, buried cable, etc. 242 cable, generally speaking, is used to connect floors of multilevel buildings (riser) or connect different buildings on a campus-type premises. 242 cable may be dedicated for use by a single customer or several customers, depending on circumstances at the premises.

2.21 Purchase Requirements - This term refers to the size or capacity of telephone plant (usually cables, terminals, etc.) required by the purchasers to meet their communication requirements. For example, a customer expresses interest in purchasing a cable on premise. The cable in question contains 300 pairs, however, the purchaser indicated that only 100 pairs are required to meet anticipated service requirements. That is, if the customer were to place a new cable, a 100-pair cable would be selected. In this example the purchaser's requirements are for a 100-pair cable and should be priced accordingly. Normally, the excess pairs under the sheath are not disabled.

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GENERAL INFORMATION
AND
COMPANY POLICY STATEMENTS

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GENERAL INFORMATION
AND
COMPANY POLICY STATEMENTS

3. GENERAL INFORMATION

3.01 Sale and Purchase Consideration - Customer choice among vendors of telecommunications services and divestiture have brought about the need to consider sale of in-place premises wiring to customers. Customers defined herein are the owners or potential owners (purchasers) of telecommunications systems.

NOTE: See paragraph 3.12 regarding cable not for sale.

3.02 Purpose - These guidelines establish Company policy concerning premises wiring sales and purchases. They also establish specific procedures and assign responsibilities among involved groups. They are intended to assure the satisfaction of legal requirements, to specify procedures and responsibilities, and to minimize the time required to respond to customer requests. Further, they aid in the recognition of sale and purchase opportunities and the assessment of advantages and/or disadvantages of each case.

3.03 Use - These guidelines apply only to embedded complex wire.

3.04 Coordination of Activities - Coordination of activities specified herein shall be the responsibility of the Coordinator for Sale and Purchase of Wire (CSPW), who shall be a member of the Business Service Center organization.

3.05 Participating Departments - Other groups normally involved in this process will be the Business Service Center, Premises Sales, Special Services, Distribution Services, Valuation and Separations (V&S) and Legal Organizations. Distribution Services will perform the functions of Special Services wherever these functions are normally performed by Distribution Services I/M. The State Registration Specialist (Affidavit Coordinator) may be occasionally involved.

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3.06 References and Contacts - The following references and contacts supplement these guidelines:

Joint Practice Number 46, Part 4B and 5A, "The Estimate Routine."

Joint Practice Number 65, "General Tax Administration."

The Schedule of Authorizations, Sections 1, 4 and 5.

The Southwestern Bell Telephone Company Purchases and Sales Manual.

General Accounting Practice, Part G, Section 2, Addenda 901 and 902.

Federal Communications Commission Rules and Regulations, Parts 31 and 68.

BSC Methods #840451

Premises Sales Methods #840453

General Headquarters Groups as follows:

Business Service Center

Product Management

Distribution Services

Special Services

CSPW

Residence Service Center

Valuation and Separations

Comptrollers

Capital Recovery

3.07 Company Policy Concerning Sale of Customer Premises Wiring to CPE Customers

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- 3.08 Right to Use - The Company's policy is to sell any facilities behind the network interface or the common equipment to the owner of that common equipment, regardless of the network requirements for that premise the common equipment serves, provided the following conditions exist:
- A. The Company is allowed an indefeasible license and (free) right to the use of those facilities that are necessary for present and future Company requirements on the premises with no stipulation.
 - B. All facilities sold will be maintained by the owner in accordance with Company maintenance performance standards and those imposed by Public Service Commissions.
 - C. When those facilities are exhausted and additional facilities are required for present or future network needs, the customer must provide the new facilities at their expense. (See Exhibit A for Contract for Sale Agreement.)
- 3.09 Pursuing Sales - In order to assure that the customer's schedule can be met, such sales shall be aggressively pursued as soon as the customer's intentions are known.
- 3.10 Sharing Conduit, Duct Space, etc. - Sharing of customer-owned conduit and/or duct space with customer-owned cable may occur, provided there is mutual agreement between the building owner and the Company and that the conduit and/or duct meets all National Electric Safety Codes and City Ordinances. Joint ownership of plant is not contemplated.
- 3.11 Partial Sales - In the event of a partial sale (i.e., existing wiring far exceeds customer's need), it will be restricted to that part of the physical plant that can be identified and easily segregated. This should not be confused with "purchaser requirement" (see paragraph 2.21).

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The portion to be sold will be priced at structural value and remaining plant will be removed or if abandoned disabled, as described in paragraph 3.16. The customer should not be charged with the removal cost, but would be charged with the rearrangement of a splice or terminal in order to accommodate their specific request. Should four cables be available for sale, and the customer only request the sale of three, the following would apply:

1. Sale price would be figured on the specific customer request. In this case, price the three cables according to the guidelines described in paragraph 2.21.
2. Partial sale would apply in this case since customer is requesting the purchase of only three cables. Should the cable not being purchased have a common appearance, the termination activity involved with the isolation of non-purchased cable (such as terminating the non-purchased cable in splice) would be charged to customer as extraordinary costs.
3. The cable not part of the purchase will either be removed or disabled and abandoned. Charges associated with the physical removal or disabling and abandonment would not be charged to the customer.

3.12 Cable Not for Sale - 1. A shared sheath (cable) in a multi-tenant building providing network facilities for more than one customer/tenant will not be sold even if the prospective purchaser does in fact have predominant use of the cable. (Building owners of multi-tenant buildings residing in the building will be viewed for the purpose of the policy as tenants to ensure equal treatment.) 2. Cable in Public Right of Way, is not for sale except when the following criteria are met:

- A. The customer agrees not to use the cable as a means of reselling local service or of circumventing our franchise offerings, in violation of the Company's tariffs.

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- B. A contract outlining all conditions must be executed as part of the sale of cable in the public right of way.
- C. The Company's easements and/or rights of way cannot be included as part of the sale. The customer must obtain approval for the necessary easements and/or rights of way from appropriate authorities prior to execution of a sale contract.
- D. If the cable is a shared facility, the customer must agree to provide the Company free right to use of any cable pairs required to provide network facilities, or agree to pay the cost of any rearrangement required to provide for the separate service.
- E. The cable to be purchased cannot utilize or pass through the Company's public distribution facilities, including any manholes that may be part of those facilities unless:
 - 1) The purchaser agrees to all conditions set forth in the conduit leasing policy.
 - 2) The Division Manager-Distribution Services concurs with the availability of surplus conduit in his discipline.
 - 3) The prospective purchaser complies with all the provisions of the License Agreement.
- F. The cable must connect adjacent premises, which may be separated by public property or thoroughfares.
- G. The cable must be embedded. New cable will not be placed for sale. Cable will not be placed as a tariffed service with the intent of immediately selling it.

3.13 Extraordinary Costs - The customer shall not be charged extraordinary costs unless efforts beyond the normal disconnect of services is involved. Examples of extra effort would include an unusual sequence of station disconnects requiring several premise visits, out of hours/weekend work, or cable rearrangement activities done solely for the customer's convenience.

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All extraordinary costs should be authorized on a Custom Work Order (CWO) initiated by the Distribution Services Organization. The CWO procedures provide for the proper recording of these extraordinary costs. The sale authorization process utilizes the Keep Cost Order (KCO) to track and provide accounting allocation information. This KCO is prepared by V&S and used to adjust the specific accounts affected by the purchase. This KCO serves as the sales authorization document for the transferring of facilities being sold from our records.

- 3.14 Sale Price Development, Taxes, and Expiration of Sale Quote - Plant to be offered for sale shall be priced at structural value to the purchaser. The sale price for premises wiring, as determined by the Valuation and Separations group, is not negotiable. In addition to the sale price, the customer will be required to pay any sales tax applicable to the transaction and a prorated portion of any property tax. Should the customer not respond to the Company's formal offer to sell, the offer shall automatically expire after 90 calendar days. Additionally, the customer must notify the Company of his intentions to purchase wire/cable a minimum of ten (10) working days prior to the closing date.
- 3.15 Warranties - Customer premises wiring shall be offered for sale on an "as is" basis, with no expressed or implied warranty by the Company in any such offering.
- 3.16 Removal Considerations - Should the customer elect not to purchase the Company's premises wiring, the Company shall make every effort to remove the wiring and shall do so such that the customer can meet his schedule. Should removal risk damage to the customer's building or other facilities, the customer will be offered the opportunity to attempt removal. If removal is impossible, it will be referred to the State Legal Department for their concurrence to disable and abandon the premises wire in place. (See paragraph 4, S4 and C4).
- 3.17 Time Interval Sale - The time interval from initial expression of customer interest to conclusion of a transaction shall not exceed that specified in these guidelines. The time intervals listed in paragraph 4 are intended to assure timely response to customer requests.

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- 3.18 Contractual Agreements - A Contract of Sale is normally required when the sale price exceeds \$5,000.00 or when it is deemed necessary due to the complexity of the sale. A standardized Contract for Sale (Exhibit A) has been approved by GHQ Legal and is recommended for use (whenever applicable) in all five states. State Legal organizations should be contacted regarding use of the standardized contract or any modification that may be locally required.
- 3.19 Case Numbers - To aid in identification and provide a tracking device, the CSPW will issue a case number on all transactions resulting in a sale or removal/disabling. Simple sales cannot be finalized without an assigned case number.
- 3.20 Company Policy Concerning Purchase of Customer Provided Premises Wiring
- 3.21 General Information - It shall be the policy of the Company to remove ourselves from the complex inside wire business. Recognizing rare situations may occur in which a purchase may benefit the Company in its provisioning of Official Company Services, the following guidelines are provided.
- 3.22 Plant to be Purchased - Plant purchased will include only that required to provide Official Company Services.
- 3.23 Purchase Considerations - Purchases of premises wiring will be considered only when the facilities to be purchased are in acceptable physical condition, are compatible for use (in-place) with the proposed telephone system, and when the asking price does not exceed structural value to the Company (see paragraph 2.09). In addition, wiring must have been installed in accordance with Registration Rules (FCC Rules and Regulations, Part 68).

The Company will not consider the purchase of wiring that does not meet these criteria.

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- 3.24 Maximum Purchase Price - The maximum purchase price to be considered for customer-provided wiring will be the structural value to the Company as calculated by V&S. If the customer's asking price is higher than structural value to the Company, the customer will be so advised and informed of the Company's offer. The valuation of plant considered for purchase by the Company will be based on an inventory by the Company at its expense.

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PROCEDURES AND CONSIDERATIONS FOR SALE OF SOUTHWESTERN
BELL TELEPHONE COMPANY OWNED CUSTOMER PREMISES WIRING

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4.02	General Information
4.03	Authorized Agent
4.04	Procedure for Sale of Premises Wiring - Simple Sales
4.05	Procedure for Sale of Premises Wiring - Complex Sales
Attachment 1	Time Intervals - Complex Sales
Figure 4-1S	Sequence of Events - Simple Sales
Figure 4-1C	Sequence of Events - Complex Sales

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4. PROCEDURES AND CONSIDERATIONS FOR SALE OF SOUTHWESTERN
BELL TELEPHONE COMPANY OWNED CUSTOMER PREMISES WIRING

4.01 Introduction - The following procedures describe the steps leading to Simple and Complex Sales as defined in 2.05 and 2.13. It is intended to assure the consideration of all relevant factors, to promote the most efficient utilization of time, to assure agreement between the customer and the Company concerning plant to be sold, and to facilitate the identification of the customer's plant from the Company's plant following the sale.

4.02 General Information - Paragraphs 4.04 through 4.05 specify procedures, required forms, objective time intervals, and references for sales of customer premises wiring. To gain a full understanding of the procedure, it is necessary to review the policy statement in paragraph 3.08.

Objective time intervals for Simple Sales are as follows:

- | | |
|---|-------------|
| A. Price quote to customer: | 1 work day |
| B. Obtain authorization: | 3 work days |
| (after the customer agrees
to the price quote) | |

Objective time intervals for Complex Sales can be found in paragraph 3, Attachment 1.

4.03 Authorized Agent - Though the narrative refers only to dealing with the customer, it may be necessary to deal with the customer's agent rather than directly with the customer. This requires no change in procedure, except the agent must have written authorization from the customer to act on the customer's behalf (see paragraph 2 - Definitions).

4.04 Procedure for Sale of Premises Wiring - Simple Sales

S1 Price Quote Requested

This represents the point at which the Contact Negotiator first becomes aware of the customer's decision to pursue the purchase of inside wire.

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If contact with the customer results in a price quote request from the customer, the following conditions determine who handles the account:

- A. If there are six lines or less and no 242 cable is involved, the BSC Service Representative will coordinate the sale.
- B. If there are more than six lines and the price quote is less than \$25,000, a Premises Sales representative (normally an Account Executive, Communications Consultant, etc.) will coordinate the sale.
- C. All cases not meeting the above criteria will be referred to the CSPW for assistance in coordinating the sale. (See Complex procedure.)

NOTE: It is imperative that the Contact Negotiator complete the checklist (located on Sales Memorandum) and forward to the CSPW to ensure that positive checks are made to determine if 242 facilities are involved. The CSPW should not complete closing until the completed checklist has been received. It is extremely important that any and all 242 facilities are identified and dealt with because of its impact on the Company, i.e., provisioning of future services, maintenance of existing network services, rate case activity, and the uniform systems of account.

S2 If conditions indicate that 242 cable could possibly be involved, the CSPW should be contacted. If confirmed, the Contact Negotiator should complete the Sales Memorandum Transmittal (Exhibit H) and forward to the CSPW.

The CSPW may require the assistance of Special Services and/or Distribution Services in determining the type of premises wiring involved. If 242 facilities are involved, refer to Complex procedures.

If it has been determined that 242 facilities are not involved and a sale is feasible, go to S7; if not, go to S3.

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S3 Removal or Abandonment of Premises Wire

The CSPW will determine, with assistance from Special Services and/or Distribution Services, if removal or abandonment of premises wiring will be required.

S4 CSPW Develops Removal/Disabling Details, Forwards to Legal

If the customer has decided not to pursue the purchase of complex inside wiring, the CSPW must determine disposition of premises wiring. The customer has the option of leasing the complex inside wiring (in states where applicable), or the Company will proceed with removal/disabling procedures. A premises visit may be required, as well as consultation with Special Services and/or Distribution Services. Removal of inside wiring and associated hardware should be accomplished whenever reasonably possible, when such removal can be performed without damage to the building. Abandonment and/or disabling should be regarded as a last resort.

In many cases, it will not be possible to know with certainty that all or a portion of the wiring cannot be removed until removal is actually attempted. Accordingly, no prior determination should be made that some wiring is to be abandoned and/or disabled. After attempts to remove the wiring have failed, the CSPW should prepare sketches and a complete explanation of the circumstances for review by a Company Attorney. No inside wiring should be abandoned and/or disabled without prior consultation with a Company Attorney.

The Company Attorney should advise the CSPW as to the risks of abandonment. The CSPW will attempt to gain customer agreement to leave plant in-place using "Removal/Disabling Letter" (Exhibit B). Having gained customer agreement to the removal/disabling plan, the CSPW (1) provides Distribution Services with details needed to write removal specifications and authorizations, (2) provides the appropriate service order entry to BSC (for station connection plant), and (3) coordinates the changeover with Distribution Services/Special Services and the customer or his agent. Should all attempts to obtain customer agreement to removal/abandonment fail, the CSPW will refer to the Company Attorney for further guidance.

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S5 CSPW Completes History Data Card

A History Data Card - Exhibit C - is to be completed at this time.

S6 CSPW Notifies BSC

As a final step, the CSPW will advise the BSC of appropriate service order entries for premises wiring to be removed or disabled.

S7 Contact Negotiator Establishes the Customer Requirements

The Contact Negotiator will normally determine existing customer's requirements based on information taken from the SW2733 (Customer's Service and Equipment Records) that was in effect as of December 31, 1983. Price quotes for customers installing new service will be determined by the customer's requirements - the number and type of instruments that are to be installed.

The Contact Negotiator will ensure that the customer understands the following points:

- A. Only wiring on the customer's side of the established Demarcation Point/Network Interface will be offered for sale.
- B. The sale price includes only 232 wire and does not include such facilities as wire, cable, poles, conduit, etc., classified as 242 cable.
- C. Wiring will be sold in "as is" condition; no warranty is either expressed or implied in the offer.
- D. No repair work will be performed by the Company for the sole purpose of making the sale to the customer.

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- E. Should the customer not respond to the Company's offer of a sale price and terms, the offer will automatically expire 90 days following the date of the formal offer. In addition, the customer must notify the Company of his intentions to purchase the wire/cable a minimum of ten (10) working days prior to the closing date, to allow completion of any required work.
- F. The Company will make every effort to remove wiring for which neither the Company nor the customer has a need. Should removal risk damage to the customer's building or other facilities, the customer will be offered the opportunity to attempt removal. If removal proves impossible, it will be referred to the appropriate Legal Department for their concurrence to abandon and/or disable the wire and/or cable in-place.
- G. Sales tax, as applicable to each local and/or state government, will be assessed unless the customer can demonstrate that he is exempt. Prorated property tax will be estimated for the period from the closing date to the end of the year. Extraordinary costs will be billed to the customer for efforts beyond normal disconnect of apparatus or for any rearrangements performed solely for the customer's convenience.

The following points may also arise in the initial customer discussion:

- H. If the customer requires only part of the available plant, that portion not required will be removed, abandoned and/or disabled (provided Legal concurs as described in Item F). Joint ownership of plant will not be considered.
- I. Depending upon the Company's requirements in the existing facilities to be sold, the customer may want to consider the options as provided in paragraph 3.08 to allow the Company an indefeasible license and (free) right to use of those facilities, or pay the extraordinary costs to provide a separate facility.

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S8 Contact Negotiator Establishes Customer Station Requirements

The Contact Negotiator should determine the customer's station requirements for both key and non-key.

S9 Contact Negotiator Calculates Sale Price for the 232 Wiring Portion

The Contact Negotiator can calculate the sale price for the 232 wiring by multiplying the number of key stations and non-key stations by the appropriate cost per station and add the results (Exhibit D).

S10 Before "price" is discussed with the customer, the Contact Negotiator will ensure that the customer is made aware of the following:

- A. Applicable sales taxes (if any) are not included in the price quote.
- B. Applicable property taxes (if any) are not included in the price quote.
- C. Extraordinary costs, if required, are not included and necessitate additional negotiation. (Sales involving any extraordinary costs are Complex - refer to Complex procedures.)

S11 Contact Negotiator Quotes Customer Sale Price

The Contact Negotiator will then quote the appropriate sale price to the customer for the 232 wiring.

If the customer agrees to the 232 wiring price quote and no 242 cable is involved, sales and property tax considerations are then discussed.

Property taxes are calculated as shown in Exhibit X.

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The customer is advised that the offered sale price will expire in 90 days. It is appropriate to inform the customer that a written Contract of Sale (when applicable) will be initiated if his decision is to purchase. Additionally, the customer is advised that the Company will need a minimum of ten (10) working days, prior to the closing date, to perform any required work.

S12 Customer Makes Decision

The customer may decide to purchase 232 wire as offered, to request a change in requirements, or to refuse to purchase any 232 wire. Regardless, there will be no negotiation concerning price. If the customer's decision is to purchase the 232 wire or have wire removed, the Contact Negotiator will advise the CSPW of customer's decision and have a Case Number assigned (Exhibit E). If the customer wants to revise his needs, return to paragraph S7. Should the customer's revised needs require any extraordinary costs, refer to Complex procedures. If the customer refuses to purchase or if the customer refuses to lease (under approved tariff) any plant, this procedure returns to paragraph S4 (Removal/Disabling Procedures). The CSPW prepares the transmittal, "Advise on Customer's Decision" (Exhibit F).

S13 Contact Negotiator Advises CSPW of Customer's Decision

If the customer's decision is to purchase, the Contact Negotiator will complete the Sale Confirmation letter (Exhibit G) and forward to the customer.

S14 Preparation of Sale Authorization, Bill of Sale, and Contract of Sale for Simple Sales

Once a customer has accepted the price quote, the Contact Negotiator must obtain Company authorization in accordance with the Schedule of Authorizations, Section 4, Plant Matters. Authorization is obtained via the Sales Memorandum form (Exhibit H). This form is completed by the Contact Negotiator and forwarded to the authorizing management employee. In addition to authorizing the Sales Memorandum, the authorizing management employee will sign two copies of the Bill of Sale (Exhibit O). Both signatures must be original to conform to legal requirements. Bills of Sale are required for all transactions.

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The Case Number issued by the CSPW for each sale transaction will serve as the authorization number. The Case Number is very important to the sales transaction because it will be used to track sales documents, (i.e., the customer's check to Treasury, closing letter to Comptrollers, etc.) and retire the wire from Company records.

Normally, a Sales Contract is only required for Simple Sales when the sale price exceeds \$5,000, the 232 wire to be sold contains direct network services, or when it is deemed necessary because of the complexity of the sale. The CSPW will issue the Sales Contract (Exhibit A), when required.

NOTE: Closing procedures cannot continue until payment has been received.

S15 The CSPW, upon receipt of the original Sale Authorization, Bill of Sale, Sales Contract (if applicable), and the customer's check for payment, will take the following action:

- A. Forward original copy of the Bill of Sale and Receipt for Payment of Prorated Property Tax (Exhibit I) to the customer.
- B. Prepare the SW-4490, attach the customer's check, and transmit to Treasury. Enter assigned Case Number in explanation section of SW-4490, (See Exhibit J.)
- C. Transmit closing letter (see Exhibit P1), original signed Bill of Sale with two conforming copies, and the original copy of the Sale Authorization to Comptrollers.
- D. Transmit a copy of the Sales Memorandum to the Business Service Center/Premises Sales that originated the sale.
- E. Distribute copies of the Sales Memorandum to the following groups:
 - 1. Tracking and Analysis
 - 2. Accounting Disbursement

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4.05 Procedure for Sale of Premises Wiring - Complex SalesC1 Price Quote Requested

This represents the point at which the Contact Negotiator first becomes aware of the customer's decision to pursue the purchase of inside wire. The Contact Negotiator will immediately notify the CSPW via the Sales Memorandum Transmittal of a potential sale when the following conditions exist:

- A. Sale price as determined in the Simple Sale procedure exceeds \$25,000.00
- B. 242 facilities are involved (or suspected)
- C. A physical inventory is requested or required
- D. When extraordinary costs are involved

If the CSPW initiates the sale, he/she will complete the Sales Memorandum.

C2 CSPW Notified of Potential Wire Sale

The CSPW will immediately review the customer's billing records to determine if the sale of premises wiring is feasible.

The CSPW may require the assistance of Special Services and/or Distribution Services in determining the type of premises wiring.

C3 The CSPW will in all cases assign a Case Number (Exhibit E) at this time.

If it has been determined that a sale is feasible, go to C9; if not, go to C4.

C4 Removal or Abandonment of Premises Wire

The CSPW, with assistance as required from Special Services and/or Distribution Services, determines if removal or abandonment of premises wiring will be required.

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C5 CSPW Develops Removal/Disabling Details, Forwards to Legal

If the customer has decided not to pursue the sale or lease (under existing tariffs), the CSPW must determine disposition of premises wiring. The customer has the option of leasing the complex inside wiring (in states where applicable), or the Company will proceed with removal/disabling procedures. This may require a premises visit, as well as consultation with Special Services and/or Distribution Services. Removal of inside wiring and associated hardware should be accomplished whenever reasonably possible, and when such removal can be performed without damage to the building. Abandonment and/or disabling should be regarded as a last resort.

In many cases, it will not be possible to know with certainty that all (or any portion) of the wiring cannot be removed until removal is actually attempted. Accordingly, no prior determination should be made that some wiring is to be abandoned and/or disabled. After attempts to remove the wiring have failed, the CSPW should prepare sketches and a complete explanation of the circumstances for review by a Company Attorney. No inside wiring should be abandoned and/or disabled without prior consultation with a Company Attorney.

The Company Attorney should advise the CSPW as to the risks of abandonment. The CSPW will attempt to gain customer agreement to leave plant in-place using "Removal/Disabling Letter" (Exhibit B). Having gained customer agreement to the removal/disabling plan, the CSPW (1) provides Distribution Services with details needed to write removal specifications and authorizations, (2) provides the appropriate service order entry to the BSC (for station connection plant), and (3) coordinates the changeover with the Distribution Services/Special Services and the customer or his agent. Should all attempts to obtain customer agreement to removal/abandonment fail, the CSPW will refer to the Company Attorney for further guidance.

C6 CSPW Completes History Data Card

A history data card - Exhibit C - is to be completed at this time.

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C7 CSPW/Contact Negotiator Contacts Customer

The CSPW/Contact Negotiator will contact the customer or his agent if appropriate and advise that the sale of in-place Company facilities is not feasible. The CSPW will provide sufficient justification to the customer/agent to substantiate the Company's decision. Normally, this advisement will be done via telephone; the CSPW will fully document this conversation and file with the History Data Card.

C8 CSPW/Contact Negotiator Notifies BSC

As a final step, the CSPW/Contact Negotiator will advise the BSC of the appropriate service order entry for premises wiring disposition.

C9 CSPW/Contact Negotiator Establishes the Customer Requirements

The CSPW/Contact Negotiator will (through contact with the customer, normally a telephone conversation) determine the customer's requirements.

The CSPW/Contact Negotiator will ensure that the customer understands the following points:

- A. Only wiring on the customer's side of the established Demarcation Point/Network Interface will be offered for sale.
- B. On some customer premises, this may include the facilities (wire, cable, poles, conduit, etc.) between separate buildings on a contiguous property. (See paragraph 2 - Definition for Customer Premises Wiring).
- C. Wiring will be sold in "as is" condition; no warranty is either expressed or implied in the offer.
- D. No repair work will be performed by the Company for the sole purpose of facilitating the sale to the customer.

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- E. Should the customer not respond to the Company's offered sale price and terms, the offer will automatically expire 90 days following the date formally offered. In addition, the customer must notify the Company of his intentions to purchase wire/cable a minimum of ten (10) working days prior to the closing date, to allow completion of any required work.
- F. The Company will make every effort to remove wiring for which neither the Company nor the customer has a need. Should removal risk damage to the customer's building or other facilities, the customer will be offered the opportunity to attempt removal. If removal proves impossible, it will be referred to the appropriate Legal Department for their concurrence to abandon and/or disable the wire and/or cable in-place.
- G. Sales tax, as applicable to each local and/or state government, will be assessed unless the customer can demonstrate that he is exempt. Prorated property tax will be estimated for the period from the closing date to the end of the year. Extraordinary costs will be billed to the customer for efforts beyond normal disconnect of apparatus or for any rearrangements performed solely for the customer's convenience or in connection with partial sale where isolation activity of non-purchased is involved.
- H. If the customer requires only part of the available plant (Partial Sale, paragraph 3.11), that portion not required will be removed or disabled and abandoned as described in item F above. Joint ownership of plant will not be considered.
- I. Depending upon the Company's requirements in the existing facilities, the customer may want to consider the options as provided in paragraph 3.08 to allow the Company an indefeasible license and (free) right to those facilities sold, or pay the extraordinary costs required to provide a separate facility.

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J. If, after reviewing the terms of the offer, customer interest continues, the CSPW/Contact Negotiator will request a sketch or floor plan showing the locations of the plant desired by the customer. If 100% of existing plant is to be considered for purchase by the customer, no sketch or floor plan will be required. The CSPW/Contact Negotiator should obtain the customer's requirements and the required date of possession.

C10 CSPW/Contact Negotiator Evaluates Customer Requirements

CSPW/Contact Negotiator should determine customer station requirements for both key and non-key.

C11 CSPW/Contact Negotiator Calculates Sale Price For The 232 Wiring Portion

The CSPW/Contact Negotiator can calculate the sale price for the 232 wiring by multiplying the number of key stations and non-key stations by the appropriate cost factor and add the results (Exhibit D).

C12 Before "price" is discussed with the customer, the CSPW/Contact Negotiator will ensure that the customer is made aware of the following:

- A. Applicable sales taxes (if any) are not included in the price quote.
- B. Applicable property taxes (if any) are not included in the price quote.
- C. No extraordinary costs are included in the price quote.
- D. The 242 cable sales price (if any) is not included in the 232 wiring Model quote.

The CSPW/Contact Negotiator may quote the price to the customer for the 232 wiring and advise that in the event 242 cable is involved, a sale price will be developed, if requested.

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If the customer agrees to the 232 wiring price quote and no 242 cables are involved, sales tax considerations as discussed in paragraph C14 of the guidelines will apply and proceed to paragraph C20 of the guidelines.

If 242 cable is involved, the CSPW will negotiate with the inventory team an objective date that a sale price can be prepared for the customer. The CSPW will notify the Contact Negotiator of the objective date.

Normally, inventories and projected costs are based on available records. Physical inventories are costly to the Company and will be provided only on customer demand. When physical inventories are required, all price quotes computed from record inventories are invalid. Physical inventory price quotes are final. The Contact Negotiator handling the request for the physical inventory should determine if the customer wants their 232 wire physically inventoried. By obtaining this commitment before an inventory is made, both 242 cable and 232 wiring can be inventoried at the same time.

C13 CSPW Reviews All Data, Establishes Overall Schedules, and Assembles Inventory Team

The CSPW coordinates with the inventory team to inventory and evaluate the condition of premises wiring to be offered for sale. Special Services or Distribution Services will normally conduct the inventory. On larger, more complex inventories, the CSPW negotiates the complete schedule for the transaction with team members. Critical dates are the inventory date(s), the date of price proposal to the customer, and the date for closing the sale. The schedule must consider any removal and/or disabling work which must be completed before closing.

The inventory team will normally consist of the CSPW, Special Services, and Distribution Services.

The CSPW will complete the Request for Inventory letter (Exhibit W and/or W1) appropriately indicating the type of inventory to be performed, either record or physical, and forward to Distribution Services.

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C14 Inventory Team Performs Inventory

The purposes of a physical inventory are to specifically identify premises wiring to be sold, to evaluate its physical condition, and to label all wiring and/or cable. The following labels are available and may be used during the inventory process:

Form SW-1620	-	"Property of Southwestern Bell - Not for Sale"
Form SW-1621	-	"To Be Sold"
Form SW-1622	-	"To Be Removed"

NOTE: Items To Be Removed are discussed in C4.

The inventory team records its findings on the "Inventory of Station Connections" Form (Exhibit K). The reverse side of Exhibit K gives guidelines for the evaluation of premises wiring condition.

When developing the 242 cable inventory, Distribution Services will prepare an itemized list of all cable to sold, i.e., cable, NCA terminals and associated equipment, backboards, etc. The 242 material inventory will include the quantity of all materials and the mortality date for all cable, NCA terminals, and associated hardware. Plant location records will be reviewed to establish mortality dates and to determine if the terminals were placed at the same time the cable was placed. Legible plant records containing information pertaining to this cable should also be provided. It is extremely important that complete and accurate inventories be provided to V&S to expedite the transaction and to ensure the timely development of a sale quote for the purchaser, and to maintain the accuracy of Company records. The Contact Negotiator is responsible for providing V&S with the customer's requirements when the inventory is requested.

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Use of standard nomenclature facilitates the establishment of a sale price by V&S. Supplementary data concerning estimated time required to place an equivalent installation is needed to permit calculation of a sale price based on structural value to the purchaser (see paragraph 2, 2.09). As the inventory progresses, the team will note any relocations of wiring, backboards, connector blocks, etc., necessary to physically segregate items to be sold from those retained, so that the demarcation between the two can be readily determined after the sale.

The Company will carry out these relocations at the customer's expense. The CSPW will determine their cost with the help of Special Services and/or Distribution Services. These are considered "extraordinary costs" as well as those described in paragraph 3, 3.13. These costs should be developed and billed using the procedures described in Joint Practice 46, Part 5A, Custom Work. "Application for Custom Work" (Form SW-8056) should be prepared and presented with the formal "Purchase Price Quotation" letter (Exhibit L) in paragraph C18.

Lastly, the CSPW/Contact Negotiator is to determine whether the customer is exempt from sales tax. This determination must be based on an exemption certificate. The customer has the burden of proving exemption and can do so only by producing the certificate. If the customer is not exempt from sales tax, this fact should be stated on the Inventory of Station Connections (Exhibit K) that is forwarded to V&S in paragraph C15.

C15 CSPW Forwards Inventory Data to State Valuation and Separations

"Inventory of Station Connection" Form (Exhibit K) and outside plant inventory and records as discussed in paragraph C14, are furnished to V&S along with the required date of price proposal to the customer and customer's specific requirements. Sales tax exemption data (See C14) is also forwarded to V&S.

C16 V&S Calculates Sale Price and (if applicable) Sales Tax and Notifies CSPW. CSPW Computes Prorated Ad Valorem Tax.

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V&S calculates the sale price in accordance with the Southwestern Bell Telephone Company Purchases and Sales Manual. If sales tax applies, it is also calculated. The sale price and sales tax amounts are forwarded to the CSPW by memo prior to the proposal date (established in paragraph C15).

The CSPW calculates the Ad Valorem Tax as shown in Exhibit X.

C17 CSPW Determines Other Company Effort Required to Prepare for Sale

Other effort may include wiring rearrangements, installation of wiring to clear direct Company services from a large cable, removal, abandonment or disabling of wiring, unusual disconnect procedures, etc. If any abandonment or disabling is necessary, the procedure described in paragraph C4 (Legal Review) is followed. The CSPW will assure that work on other items takes place and that the scheduling of work is timed with consideration given to the CPE cutover date or closing date.

C18 CSPW/Contact Negotiator Presents Proposal to Customer

The CSPW/Contact Negotiator presents the proposed sale price, any applicable sales tax and, if extraordinary costs are involved, either actual or estimated costs. The amount of prorated property tax, which may vary with actual closing date, may be billed separately. The formal "Purchase Price Quotation" letter (Exhibit L or LL if the provisions of paragraph 3.08 apply) and the supporting attachment (Exhibit L1) are presented at this time. If extraordinary costs will be involved, "Application for Customer Work," SW-8056 (Exhibit L2), is also attached to the "Purchase Price Quotation" letter. The customer is advised that the offered sale price will expire in 90 days. It is appropriate to inform the customer that a written Contract of Sale may be required (see Note in paragraph C21) if his decision is to purchase. Additionally, the customer is advised that the Company will need a minimum of ten (10) working days, prior to the closing date, to perform any work that may be required.

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C19 Customer Makes Decision

The customer may decide to purchase plant as offered, to request a change in plan, or to refuse to purchase any plant. Regardless, there will be no negotiation concerning price. If the customer's decision is to purchase plant as offered, proceed to paragraph C20. If the customer wants to revise his needs, return to paragraph C15. V&S must calculate a new sale price, and ~~x~~ new tax amounts must be determined. Should the customer's revised needs require adjustments to any extraordinary costs, refer to paragraph C17. If the customer refuses to purchase any plant, this procedure returns to paragraph C4 and the CSPW prepares the Transmittal, as described in paragraph C20, "Advise on Customer's Decision" (Exhibit F).

C20 CSPW/Contact Negotiator Advises All Concerned With Customer's Decision

Special Services, Distribution Services, V&S, and BSC will be principally involved. Transmittal, "Advise on Customer's Decision," (Exhibit F), is utilized to do this.

C21 V&S Prepares Sale Authorization and Bill of Sale. The CSPW Prepares the Contract for Sale.

V&S prepares the estimate or keep cost order, as required, in accordance with Joint Practice Number 46, Part 4B. After the authorization is approved, using the Schedule of Authorizations, Section 4, V&S prepares two (2) copies of the Bill of Sale (Exhibit O), obtains Legal approval as to form, and obtains appropriate Company signatures on each copy. Valuation and Separations forwards one signed copy (the customer's copy) of the Bill of Sale and the authorization number to the CSPW. The CSPW prepares two (2) copies of the Contract for Sale (when applicable) and obtains approval as to form from Legal. Legal may approve a standard contract as to form in which case subsequent approvals of the basic contract itself would not be required unless the standard contract was changed.

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The CSPW forwards both copies of the contract to the purchaser for signature and advises the purchaser that both copies must be signed and returned to the CSPW. The CSPW then sends the contract to Legal for approval of the signature title. Once approved by Legal, the CSPW obtains Company signatures on both copies of the contract.

NOTE: A Contract for Sale is normally required when the sale price exceeds \$5,000.00 or when it is deemed necessary due to the complexity of the sale. A standardized Contract for Sale (Exhibit A) has been approved by GHQ Legal and is recommended for use (whenever applicable) in all five states. State Legal organizations should be contacted regarding use of the standardized contract or any modification that may be locally required.

C22 CSPW/Contact Negotiator Prepares for Closing Date

The CSPW gathers the Bill of Sale, Contract for Sale, and the prorated property tax due. The prorated property tax may be billed after the actual closing date to assure its accuracy. Further, the CSPW checks the status of any special work that may be required to complete the sale. The CSPW obtains the proper authorization in accordance with the Schedule of Authorizations for the Contract for Sale.

The CSPW prepares a Form SW-4490, Notification of Miscellaneous Transfer or Adjustment, as shown in Exhibit J. The explanation section of the SW-4490 should designate the customer's name and address and the vendor's name and address if the vendor is acting on behalf of the customer, which approved the sale.

If prorated property tax is to be collected on the closing date, this tax information should be included on the SW-4490 and so noted in the explanation section. If the property tax will be collected later, a separate form SW-4490 should be prepared prior to accepting the customer's or vendor's payment for taxes.

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C23 CSPW/Contact Negotiator Completes Transaction with Customer

The customer's copy of the Contract for Sale (if applicable) and the Bill of Sale should be dated and exchanged for the customer's check. If prorated property tax settlement is not included at this time, the CSPW will advise the customer that the tax will be figured from the closing date and will be billed separately. A date should be established at this time to conclude the tax settlement and a receipt (Exhibit I) prepared for the final settlement date.

NOTE: Closing procedures cannot continue until payment has been received.

C24 CSPW Forwards Documents to V&S and Treasury

The customer's check and the SW-4490 (prepared in paragraph C22) are forwarded to Treasury with the Transmittal (Exhibit P) for processing.

The Company's signed and dated copy of the Contract is forwarded by the CSPW to V&S for closing the transaction in accordance with Joint Practice 46, Part 4B. The Transmittal (Exhibit P) will be utilized to do this. The CSPW will also complete the History Data Card for this location (Exhibit C).

The CSPW will distribute copies of the Sales Memorandum to the following groups:

- A. Premises Sales Contact Negotiator
- B. Tracking and Analysis

C25 BSC Issues Appropriate Service Orders

When the 242 cable is sold, the Contact Negotiator will identify all on-premises private line services, i.e., circuits and stations, and issue service orders to cease the monthly billing for these services. It will also be necessary to identify any off-premises circuits with additional points of termination on the premises where the 242 cable is sold. Service orders to discontinue billing for additional points of termination are required.

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The Contact Negotiator will need to verify with the appropriate department that the on-premises private line services are physically served by the on-premises 242 cable being sold. All private line services in the on-premises 242 cable must be removed from the customer's records. The Contact Negotiator will ensure that service orders to remove these services from our records show "no physical work involved."

The Company relinquishes ownership of any Company-owned equipment associated with these on-premises services and will no longer maintain such equipment once the cable is sold.

Any on-premises private line services that are physically served through the central office must be retained on the customer's records. The Contact Negotiator will issue service orders entering a permanent remark that the circuit was physically routed through the central office at the Company's option. The billing on these circuits will remain, and the Company will continue maintenance.

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TIME INTERVALS - COMPLEX SALES

The following guidelines are time frames to be used to ensure timely responses to customer requests. These time frames are objectives only. They are best used to identify bottlenecks and problem areas that may need to be addressed. The flow is based on an average system of 500 station lines. One workday represents eight (8) work hours. (Weekends and holidays are not considered workdays.) In order for these intervals to be effective, the Contact Negotiator must obtain the customer's actual requirements during the initial contacts. The customer's requirements should be relayed to the CSPW at the time an inventory is requested.

- | | | |
|----|--|------------|
| A. | Customer requests price quote, the Contact Negotiator notifies the CSPW and provides customer requirements | WORKDAY 1 |
| B. | CSPW requests an inventory from Distribution Services and provides customer requirements to V&S (verbally, followed up with a written request) | WORKDAY 2 |
| C. | Distribution Services completes the inventory and forwards to V&S (mailing time may require one extra day) | WORKDAY 7 |
| D. | V&S completes Price Quote and forwards to CSPW | WORKDAY 13 |
| E. | CSPW notifies Contact Negotiator | WORKDAY 14 |
| F. | Contact Negotiator notifies customer | WORKDAY 15 |

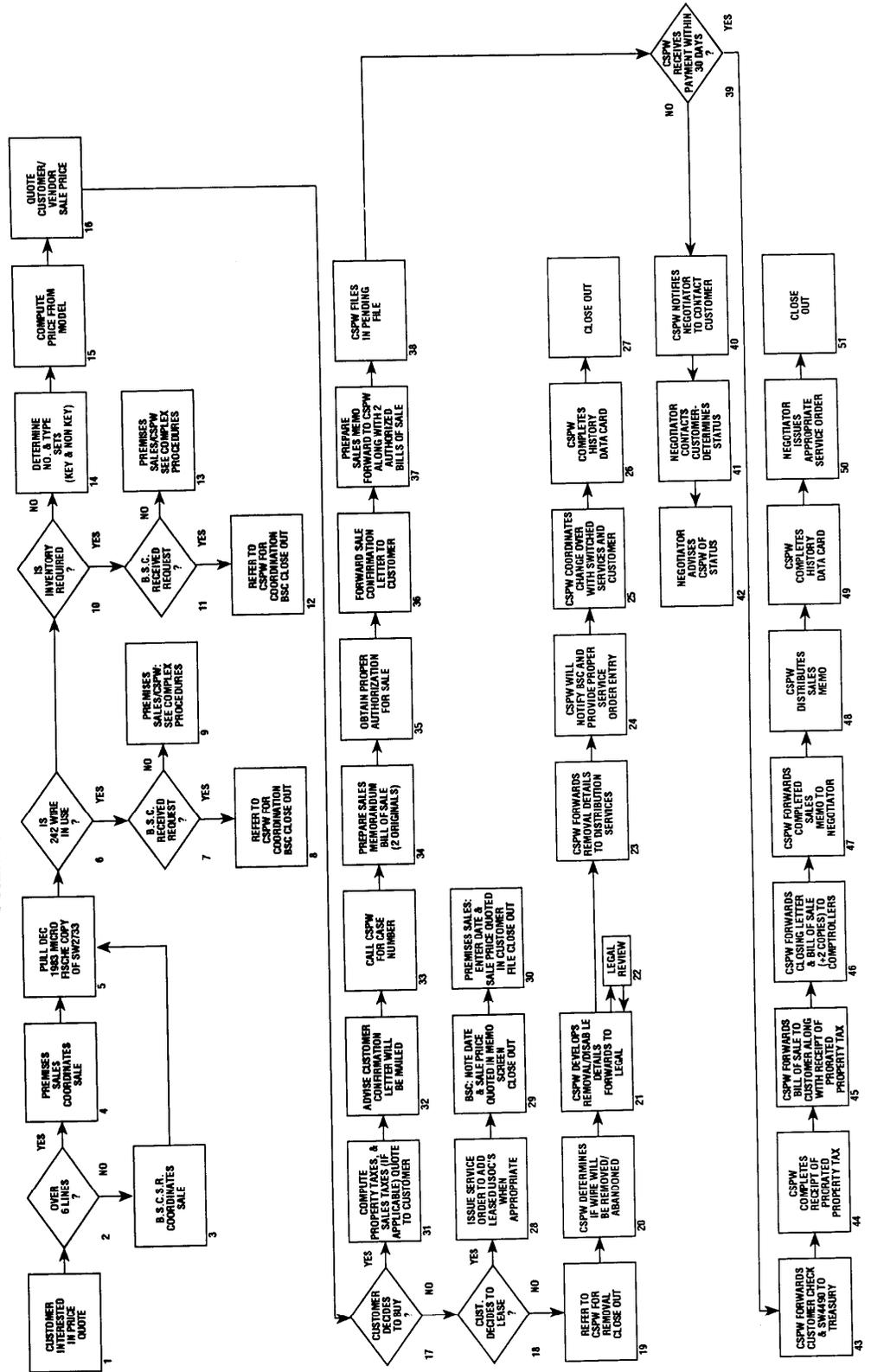
Systems exceeding these guidelines are negotiated by the CSPW on a case-by-case basis. The objective date is jointly agreed upon and communicated to the customer by the Contact Negotiator.

Requests for repricing, due to changes in customer requirements or a lack of information from the Contact Negotiator, are handled as low priority. It is important that accurate information is received early in the process.

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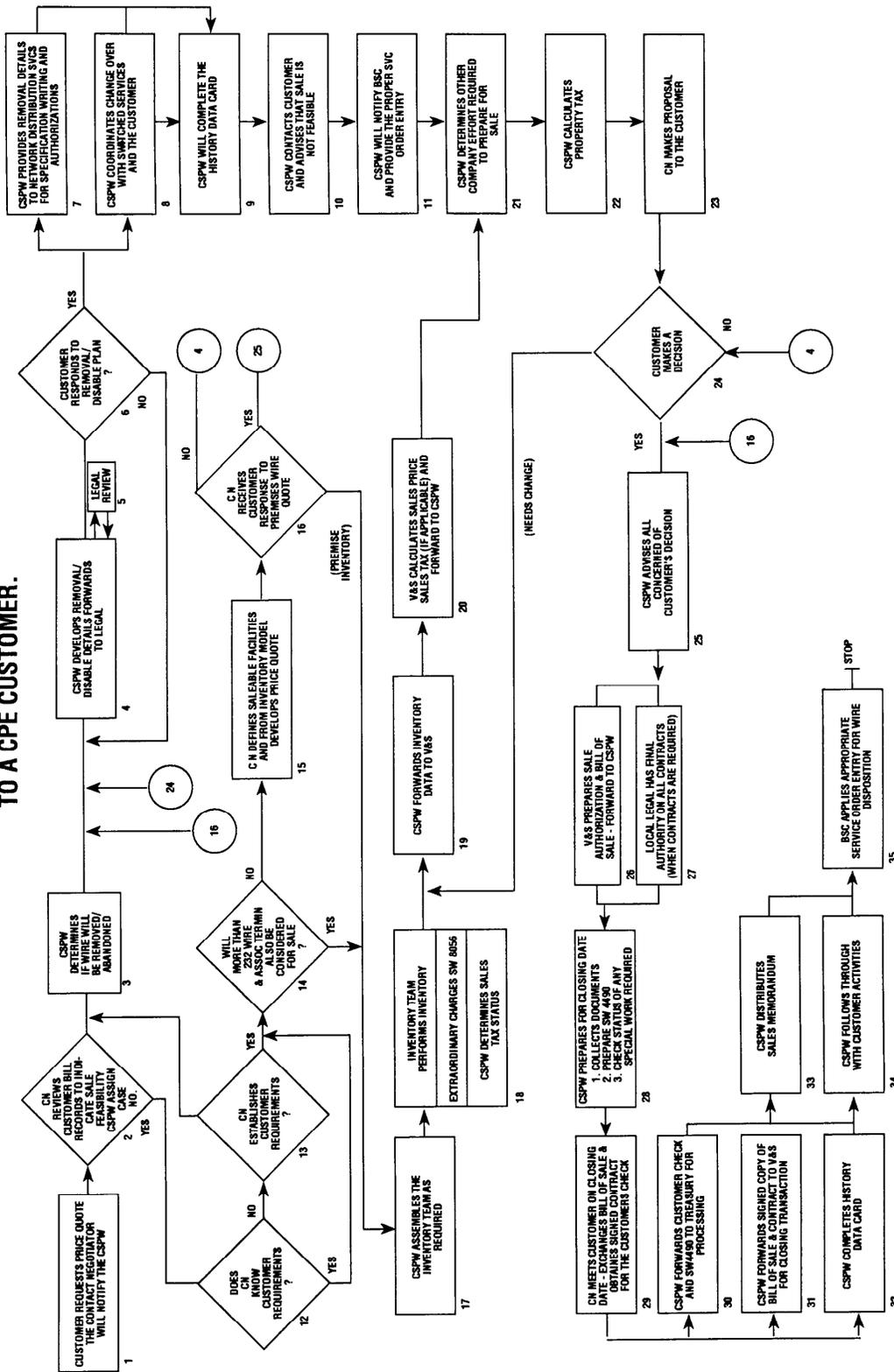
**FIGURE 4.1S
SEQUENCE OF EVENTS - SIMPLE SALE OF
PREMISES WIRING TO A CPE CUSTOMER**



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**FIGURE 4.1C
SEQUENCE OF EVENTS - COMPLEX SALE OF PREMISES WIRING
TO A CPE CUSTOMER.**



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PROCEDURES AND CONSIDERATIONS FOR PURCHASE
OF CUSTOMER-PROVIDED PREMISES WIRING

<u>PARAGRAPH</u>	<u>CONTENTS</u>
5.01	Introduction
5.02	General Information
5.03	Procedure for Purchase of Customer-provided Premises Wiring

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5. PROCEDURES AND CONSIDERATIONS FOR PURCHASE
OF CUSTOMER-PROVIDED PREMISES WIRING

5.01 Introduction Paragraph 3 states Company policy concerning the purchase of customer-provided premises wiring. The policy statement describes the characteristics which make such plant eligible for purchase consideration. The procedure below describes the steps leading to such a purchase. It is intended to assure the consideration of all relevant factors, to promote the most efficient utilization of time, and to assure agreement between the customer and the Company concerning the items of plant to be purchased and the terms of the purchase.

5.02 General Information The narrative specifies procedures, required forms, objective time intervals, and references. To gain a full understanding of the procedures, it is necessary to review the policy statements of paragraph 3.

IT IS NOT ANTICIPATED THAT PURCHASE OF INSIDE WIRE WILL BE CONSIDERED. HOWEVER, IN THE EVENT A CONDITION WOULD ARISE, THESE PROCEDURES ARE BEING RETAINED TO FACILITATE SUCH EXCEPTIONS. ALL PROPOSED PURCHASES MUST BE COORDINATED BY THE CSPW. THIS SECTION WOULD BE REVIEWED BEFORE APPLICATION TO ENSURE ITS COMPATIBILITY WITH CURRENT COMPANY POLICY.

5.03 Procedure for Purchase of Customer-Provided Premises Wiring

P1 Sales Representative Obtains Details of Proposal From Customer,
Notifies CSPW

The Sales Representative advises the customer that the purchase of his plant is contingent upon meeting certain requirements listed in paragraph 2, 3.20 - 3.24 and proof of title/ownership of the wiring to be considered for purchase. If the customer concurs in these preliminary requirements, the Sales Representative will request a letter providing the following information:

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- A. Itemized list of wiring offered for purchase
- B. Asking price (The customer may request an offer by the Company in lieu of an asking price.)
- C. Proposed closing date

The customer's letter should have attached to it:

- D. A copy of the Bill of Sale from the customer's vendor at the time he purchased the wiring;
- E. A copy of any written agreement(s) between the customer and his vendor; and
- F. If the wiring was the subject of a time-payment arrangement, proof that the customer's obligation has been fully satisfied (this would normally be evidenced by his presentation of a cancelled promissory note). Customer's clear title to the wiring must be established at this time. Consult with the Legal Department if you question the customer's title. If clear title is established, go on to P3 and skip P2.

P2 Handling Case of Third-Party Holding Title to Wiring, or Customer Unable to Establish Title

If the customer cannot establish clear title to the wiring, or title is shown to be with a third-party (probably the customer's current vendor), all direct negotiations with the customer should cease. The Legal Department should be consulted to determine an appropriate way to proceed with the purchase. Because the facts and business concerns will vary from case to case, a standard procedure cannot be developed. Some options that may be available are:

- A. The Company coordinating directly with the third-party owner for purchase of the wiring,
- B. The customer could become the agent of the third-party owner for purposes of pursuing a sale to the Company, or

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- C. The purchase may have to be postponed pending resolution of any question of which party actually holds title.

Please note, Legal should not be asked to review customer's documentation regarding title to the wiring in question for the purpose of either advising the customer of his status or advising the customer of his rights/obligations under agreements with a third-party vendor. Legal should be contacted, however, to verify a customer's representation of ownership (by the customer or by a third party) if the documents offered by customer pursuant to step P1 do not clearly indicate which party holds title.

P3 Additional Information Needed From Customer

If the wiring meets all preliminary considerations, the customer will then need to provide a floor plan showing the locations of the plant to be offered. The floor plan will not be required if all premises wiring is offered for purchase and is readily identifiable. However, a floor plan, if available, would be useful to the inventory team and could expedite this process. A copy of the customer's letter and associated documents should immediately be forwarded to the CSPW.

P4 CSPW Reviews Product Standardization and Title Considerations

The CSPW, with assistance and advice from others, first reviews these items because any one of them, if not fulfilled, could eliminate the proposal from further consideration:

- A. All items of plant considered for purchase will be reused in place by the Company to provide communications service.
- B. Premises wiring should be installed in accordance with Part 68 of the Federal Communications Commission (FCC) Rules and Regulations. The Affidavit Coordinator and Distribution Services will jointly make this determination.

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C. The customer's proof of clear title to the plant and other associated documents should be reviewed by the Legal Department. Additionally, the Legal Department should examine security records maintained in appropriate city, county, or state governmental offices regarding the creation of security interests in the wiring. This situation could arise in the event that, after purchase from his vendor, the customer mortgages or otherwise creates a security interest in his property to secure his repayment of a loan. The only way to determine whether or not a third party has a perfected security interest in the wiring, which is the subject of the proposed sale to the Company, is by examining these security interest filings in the jurisdiction where the customer is located.

If all the previous conditions are met, the CSPW assigns a "Case Number" (Exhibit E) and notifies the Sales Representative that purchase will be considered and requests the floor plan, if required or available. If any of the conditions (listed in previous paragraphs) are not met, the CSPW will advise the Sales Representative that this purchase will not be considered. However, where a title deficiency is found, return to P2.

P5 CSPW Schedules and Remaining Procedures

The CSPW negotiates the remaining schedule with all involved groups and the customer. Distribution Services must evaluate the capacity of premises wiring and may be involved in the inventory of plant. The amount, type, and condition of plant will determine composition of the inventory team. The date of price proposal for larger, more complex inventories should be confirmed with V&S. The critical dates to be scheduled are the date of inventory, the date of response to the customer's proposal, and the closing date.

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P6 Inventory Team Performs Inventory

The inventory has several purposes: (1) to verify plant to be considered for purchase against the customer's itemized list, (2) to specify the Company's equivalent (for pricing purposes), (3) to evaluate the condition of the plant, (4) to give the Distribution Services team member an opportunity to evaluate the ease with which the installation can be maintained based on the physical condition of the plant, and (5) to secure sufficient detailed information to produce location records as required by JP 46, Part 4B. If deterioration has progressed beyond the point at which maintenance cost would be reasonable, consideration of the purchase would at this point be terminated.

The inventory team records its findings on the "Inventory of Wiring for Purchase" form (Exhibit Q). Exhibit Q facilitates the calculation of a purchase price by translating customer-provided wiring into terms which can be directly priced by V&S. The reverse side of Exhibit Q provides instructions for the evaluation of the condition of the plant. Supplementary data concerning estimated time required to place an equivalent installation is required to allow calculation of a price based on structural value.

P7 CSPW Furnishes Inventory Data to State V&S

V&S evaluates the customer's asking price by calculating the structural value of the plant to the Company. Calculation is performed in accordance with the Southwestern Bell Telephone Company Purchases and Sales Manual. V&S will inform the CSPW, by letter, of the acceptance or rejection of the customer's asking price. If the structural value to the Company is less than the customer's asking price, V&S will inform the CSPW of the price the Company would be willing to pay. If the customer has not specified an asking price, V&S will forward the Company's purchase price quotation (the Company's structural value) to the CSPW.

PROPRIETARY

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P8 CSPW Responds to Customer with Company's Decision

If the customer's asking price is more than structural value to the Company as determined by V&S, the customer will be informed of the price the Company is willing to pay. The Company will not negotiate the price. The calculated structural value to the Company is the maximum amount that the Company will offer. If the customer did not specify an asking price, the CSPW will present the customer with the Company's quotation as determined by V&S in Step P7. It is appropriate to inform the customer a written Contract of Purchase will be executed if his decision is to sell. If the customer chooses to modify some other term of the proposal, the procedure returns to step P4.

P9 Customer Decides Whether to Accept Company Offer

If the customer rejects the Company's offer, the CSPW will notify the Sales Representative. If the customer accepts the Company's offer, the CSPW determines (through coordination with the customer), whether the customer will furnish a Bill of Sale and collect sales tax or if the Company should prepare a Bill of Sale and pay sales tax directly to the state. The customer must notify the Company of its decision a minimum of ten (10) working days prior to the closing date to allow the Company adequate time to make preparations for the closing.

The CSPW will notify all concerned groups with customer's decision utilizing a transmittal as shown in Exhibit R.

P10 V&S Prepares Purchase Authorization and Bill of Sale (if required in P9), and the CSPW Prepares Contract of Purchase

In most cases, the Company will prepare the Bill of Sale and report any sales tax directly to the state using the State Use Tax Return as described in Joint Practice 65, General Tax Administration.

PROPRIETARY

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The purchase authorization is prepared in accordance with Joint Practice 46, Part 4B, and approved in accordance with the Schedule of Authorizations, Section 4. Following approval of the purchase authorization, V&S will prepare Form SW-4472 (Exhibit S), with the proper level of authorization as prescribed in the Schedule of Authorizations, and forward to Comptrollers. The voucher draft requested by the SW-4472 will be sent directly to the CSPW. V&S will also prepare two copies of a Bill of Sale (Exhibit T), if applicable, secure Legal Department approval as to form, and forward both copies to the CSPW.

The CSPW will prepare two copies of a Contract of Purchase. The Legal Department will review the contract. The CSPW will obtain the proper authorization for the Contract of Purchase in accordance with the Schedule of Authorizations.

Should the customer agree to collect sales tax, such tax amount will be reviewed by V&S for accuracy, included in the purchase authorization, and itemized on the SW-4472.

P11 CSPW Arranges for the Customer to Prepare Bill of Sale

The CSPW will arrange with the customer to execute the Bill of Sale prepared by V&S (Step P10), or if the customer indicated (Step P9) that he would prepare the Bill of Sale, the CSPW should forward the two copies to State Legal for approval prior to execution by the customer and closing of the purchase. This Bill of Sale should list all the property to be purchased by the Company and should recite, among other things, the customer's unreserved warranty that he has full and clear title to the property which is to be conveyed to the Company and that such property is not subject to any lien, mortgage, or other security interest.

PROPRIETARY

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When the Company is considering the purchase of inside wiring from a customer who is not the building owner, we must also obtain written acknowledgement by the owner of the building that the wiring to be sold to the Company is not a fixture in the building, but is the personal property of the customer or a designated third party, which the customer or that third party may sell without objection of the owner. The "Building Owner Release" (Exhibit U) should be used to establish this. In situations that may require the use of the Building Owner Release, an attachment must be developed describing the wire to be sold. (This form is intended as a model only; Legal should develop a similar form to comply with local laws.) The customer should obtain the Building Owner Release, if applicable, prior to the scheduled closing date (P12).

P12 CSPW Closes Purchase

On the scheduled closing date, the CSPW will present the voucher draft to the customer in exchange for the copy of the signed Contract of Purchase, original signed and dated Bill of Sale, Warranty of Title and, if required, the Building Owner Release. The CSPW, utilizing Transmittal (Exhibit V), will forward these documents to V&S for closing the transaction in accordance with Joint Practice 46, Part 4B.

The CSPW will continue to monitor the various work activities until service is established.

PROPRIETARY

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6. EXHIBITS

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
A	Contract for Sale of Premises Telephone Wiring
A	Sample
A	Sample Instructions
B/B1	Removal/Disabling Letters
C	History Data Card
D	Inventory Model - 232 Wire
E	Assignment of Case Numbers
F	Sale of In-Place Facilities Case No. _____
G	Confirmation of Sale Letter
H	Sales Memorandum/Transmittal - Embedded Complex Wire
I	Receipt for Payment of Prorated Property Tax
J	SW4490
K	Inventory of Station Connections
L	Purchase Price Quotation Letter
LL	Purchase Price Quotation Letter
L1	Attachment to Purchase Price Quotation Letter
L2	Application for Custom Work
M	Advise of Customer's Decision (see Exhibit F)
O	Bill of Sale
P	Transmittal
P1	Transmittal
Q	Inventory of Wiring for Purchase
R	Purchase of In-Place Facilities Case No. _____
S	SW4472
T	Purchase - Bill of Sale
U	Building Owner Release
V	Transmittal
W/W1	Request for Inventory
X	Property Tax Worksheet

PROPRIETARY

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CONTRACT FOR SALE OF PREMISES WIRE/CABLE

THIS CONTRACT IS ENTERED INTO AS OF

By:
Telephone Company Name:
Address:

Customer Name:
Address:

Premises Owner Name:
Address:

FOR THE SALE OF PREMISES WIRE/CABLE AS FOLLOWS:

Customer's Telephone Number:

Location of Wiring:

Purchase Price:
Basic price of \$ _____

Ad Valorem Tax:
Based on an Annual Estimated Tax Rate
Factor of _____

Sales Tax:
Based on an Estimated Tax Rate of _____

Make Ready and Rearrangement Work: _____

Total Dollar Amount: \$ _____

Advance Payment:

Closing Date:

Bill of Sale in Name Of:

WHEREIN THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Telephone Company agrees to sell and Customer agrees to purchase certain items of premises telephone wiring as described in Exhibit A, for the cash consideration stated and the performance of the obligations provided herein.

PROPRIETARY

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2. Telephone Company agrees to perform make-ready facility rearrangement work associated with this sale for the charge, either lump sum or cost, as set out for each work order as shown on Exhibit B. Customer agrees to pay in advance all charges for make-ready work. Where make-ready work is performed on a cost basis, the advance payment required will be estimated. If the costs exceed the estimate, Customer agrees to pay the balance due within thirty (30) days of billing or at closing, whichever occurs first. If the costs do not exceed the estimate, the balance shall be credited to Customer at closing.

3. The words and phrases listed below when used herein are defined as follows:
 - a. "Premises" means the land, buildings, connecting tunnels, and conduit, generally known as the Customer's property as shown on a premises diagram attached hereto as Exhibit C.

 - b. "Premises entrance point" means the place on the premises where central office cables and lines are initially terminated before connection with house cable, network terminating wire, and station connection wiring for distribution of lines and services throughout the premises.

 - c. "House cable and network terminating wire" means the house distribution cable or wire on the premises that extends from the premises entrance point to the service location.

 - d. "Network interface" means a termination jack, strip, or block where Telephone Company central office access lines for network service is provided and at which the Customer may attach Customer-provided terminal equipment and associated wiring.

 - e. "Separate service" means any communications service provided by Telephone Company on the premises, including public coin and coinless telephone stations, central office access lines for business and residence exchange telephone service, and for other network services that are not switched by Customer's equipment, whether provided to the Customer or others located on the premises or to other carriers for their services on the premises.

PROPRIETARY

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- f. "Interface like terminal" is a terminal jack, strip, or block which permits a separation in the continuity of a wire by removal of a connector without removing the wire from the terminal, or which facilitates the connection of two wires in the same manner, and which may be used for testing separate wire segments.
- g. "Parties" refers to the Telephone Company, the Customer, and Premises Owner, if different from the Customer.
4. The premises wiring sold herein includes all station connection wiring, house cables, terminal jacks, strips and blocks, cabinets, and associated wiring apparatus on the premises side of the premises entrance point, but excluding the network interface and all cables, wiring and associated apparatus on the central office side of the premises entrance point and excluding those cables, if any expressly excluded on Exhibit A.
5. Telephone Company and Customer agree to the premises entrance point or points for each building or area on the premises. The parties may mutually agree to establish one or more additional premises entrance points for termination of central office access lines to serve specified areas of the premises. Exhibit A indicates the point or points to be agreed upon by the parties as part of this contractual agreement.
6. The customer agrees to pay Telephone Company, on signing of this Contract or at closing, the basic purchase price shown on the face of this Contract, plus any amount due for make-ready work, applicable sales taxes, and the Customer's prorata share of Telephone Company's ad valorem property tax. In addition, the Customer agrees to reimburse Telephone Company for construction, installation of separate facilities for separate services provided by Telephone Company on the premises side of the premises entrance point, and to provide the conduit, raceways, risers, racks, hangers, wall and floor holes, and other supporting structures required to place Telephone Company's cables and wires in, through, to, and between the buildings on the premises.

PROPRIETARY

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Telephone Company except under written agreement.

7. Ad valorem property taxes are prorated to the date of closing, with the Customer to pay one twenty-fourth of the applicable property tax for each half month or portion thereof between the date of closing and December 31. If Customer is exempt from paying sales taxes, Customer will provided Telephone Company with a current copy of Customer's sales tax exemption letter. Customer agrees to pay the applicable tax amounts to Telephone Company at closing.
8. The list of property items of premises wiring sold and the purchase price shall be adjusted to reflect additions and removals of house cable, wiring, and associated apparatus between the date of this Contract and closing.
9. When there is an obligation hereunder to reimburse Telephone Company for costs incurred in constructing, installing, maintaining, and repairing premises wiring, such costs will be determined by the Telephone Company's cost accounting system used in its regular business to charge its capital and expense accounts. The direct costs so determined will be multiplied times a factor of _____ for general overhead and return, and such amount shall be paid by the Customer on presentation of a bill therefor by Telephone Company. Provided, however, if the charge for any work operation is specified in a tariff filed with the regulatory commission with jurisdiction over the subject matter, the work operation will be billed at the tariff rate.
10. Telephone Company, after receiving full payment for the premises wiring and make-ready work, shall provide the Customer with a Bill of Sale for the property purchased. The Bill of Sale shall transfer and assign title to the property, effective on the date of closing, to the Customer with all attendant rights and obligations.
11. The date of closing shall be the date on which Telephone Company disconnects that portion of its telephone service furnished to the Customer that utilizes the station connection wiring property sold herein. The parties agree that disconnect and closing shall be on the date shown on the face page of this Contract, or on such other date as parties may mutually agree in writing in coordinating cutover arrangements for the Customer.

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12. The parties agree that in consideration for the Telephone Company selling and transferring the premises wiring to the Customer, all wiring required on the premises to provide service to the Customer's premises, internally beyond the premises entrance point(s) agreed to, shall hereafter be provided by the Customer constructing separate facilities for the Telephone Company or paying the Telephone Company the costs of constructing separate facilities, notwithstanding that service responsibility may reside with Telephone Company under its tariffs from the premises entrance point(s) to the network interface of the service furnished.
13. In lieu of and as a substitute for providing or reimbursing Telephone Company for construction of separate facilities, the Customer will provide Telephone Company an indefeasible license and right to use without charge good usable wire pairs in the telephone wiring sold herein or in wiring that may be placed hereafter by Customer on the premises.
- a. The good usable wire pairs shall be provided from the premises entrance point(s) for the building involved to a point near the location of the service to be provided.
 - b. The specific wire pairs for use by the Telephone Company will be identified by the standard Plastic Insulated Conductor color code system which will include the binder color code as well as the individual pair color code.
 - c. Telephone Company shall terminate its central office lines and facilities at the premises entrance point(s) and provide a network interface or interface-like connection terminal on which house distribution cable or network terminating wire may be connected for Telephone Company's separate service, in addition to the network interface provided for the Customer's equipment central office access lines.
 - d. The Customer shall connect the house cable pair or network terminating wire which is to be used as a substitute on the network interface or interface-like terminal at the premises entrance point(s) and make all jumper connections between such point(s) and the service location. At the service location Telephone Company shall connect its service or network interface-like device and any associated wiring.

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- e. If additional service is requested by the Customer and there are insufficient good usable cable pairs available at the service location, the Customer agrees to construct and install additional facilities from the premises entrance point to the service location. If the Customer does not provide such additional facilities, Telephone Company may install them, and the Customer agrees to reimburse Telephone Company for its costs as herein provided.
 - f. The parties will establish work rules and procedures which will facilitate the convenient exchange of work orders and service requests.
14. If the Customer does not maintain and repair all wire furnished to Telephone Company for its use or provide usable substitute wire pairs on a timely basis, Telephone Company may make such repairs on the wire owned by the Customer or install additional wire as it determines necessary to restore, repair, or provide any separate network service that it furnishes. If the customer-owned cable suffers physical damage (either partial or complete) and the Telephone Company restores or replaces the cable, the Customer agrees to reimburse Telephone Company for its costs. The Customer agrees to waive refunds due and to reimburse Telephone Company for refunds made to other customers on the premises under Telephone Company tariffs or regulatory rules for service interruptions and defects in service which result from defects in wiring furnished by the Customer or failure of the Customer to repair or provide usable substitute wire pairs on a timely basis.
15. Telephone Company's liability for any defects in work it performs on cables owned by the Customer shall be limited to repair or replacement of the cable damaged, but it shall have no liability or responsibility for damage caused to any electronic or terminal equipment associated with such lines or for loss or defects in transmissions through such lines, or for consequential damages.

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16. The obligation of the Customer to pay for or provide wiring for the provision of separate service on the premises beyond the premises entry point(s) extends to every service offered under both the Telephone Company's intrastate or interstate tariffs, requested by every person and entity located on the described premises, without regard to whether such person or entity is owned or under the control of the Customer.
17. Telephone Company disclaims any and all liability for any injury or damage to persons and property arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission services, failures or defects in equipment and facilities which are owned by the Customer, and injuries or damage resulting from the construction, maintenance, or use of facilities owned by said Customer but licensed to the Telephone Company.
18. Telephone Company shall not be liable to Customer or any third parties claiming through or for customer for any indirect, special, or consequential damages even if advised of the possibility of such damages.
19. The Customer agrees to secure its telephone equipment rooms and house cable termination locations through which separate telephone services are provided by locked cabinets or rooms or by limiting access thereto to authorized personnel, so that the privacy of the service is made reasonably secure from unauthorized intrusion.
20. The Telephone Company does not undertake to secure from disclosure to third parties any specifications, drawings, sketches, models, samples, tools, computer or other apparatus programs, technical information or data, written, oral or otherwise, furnished by Customer to Telephone Company under this Contract or in contemplation of this Contract which are considered by Customer to be confidential or proprietary.

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21. Any specifications, drawings, sketches, models, samples, tools, computer or other apparatus programs, technical or business information or data, written, oral or otherwise (all hereinafter designated "Information"), furnished to Customer by Telephone Company under this Contract or in contemplation of this Contract, shall remain Telephone Company's property. All copies of such Information in written, graphic, or other tangible form shall be returned to Telephone Company at its request. Unless such Information was previously known to Customer free of any obligation to keep it confidential, or has been or is subsequently made public by Telephone Company or a third party, it shall be kept confidential by Customer, shall be used only in performing under this Contract, and may not be used for other purposes except upon such terms as may be agreed upon between Telephone Company and Customer in writing.
22. Telephone Company shall maintain and keep that portion of the premises wiring in repair that it presently is obligated by tariff to maintain and repair to the date of disconnect suitable for its own service requirements, but shall have no obligation to the Customer or other parties to maintain or repair any premises wiring after the date of sale closing.
23. Telephone company shall bear the risk of loss to the premises wiring prior to disconnection of the service but shall have no obligation to repair, restore, or furnish similar property, if the premises wiring is materially destroyed by fire or other casualty. If new wiring is installed by Telephone Company after destruction, the purchase price shall be adjusted to reflect the value of the new wiring added and the wiring not replaced. The Customer bears the risk of loss to the property from and after the date of sale closing.
24. This Contract is subject to such regulation as may be imposed by the applicable State Regulatory Commission and Federal Communications Commission. The parties understand that the obligations hereunder may be modified in order to conform with the lawful orders and regulations of these Commissions.

The construction, interpretation, and performance of this Contract shall be governed by the domestic laws of the state where the premises wiring is situated.

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- 25. If this sale is voided or rescinded in part or in whole through regulatory order, the parties agree that Telephone Company shall have no liability for damages or extra expense incurred by the Customer in connection with this sale.
- 26. Telephone Company warrants that it is the owner of the listed items of premises wiring and associated apparatus and that they are free of all liens and encumbrances.
- 27. Telephone Company does not warrant that the premises wiring and associated apparatus is free from defects or that it may be used for any particular purpose. The premises wiring and associated apparatus is sold on an AS IS BASIS WITH ALL FAULTS at the time of closing.

THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

- 28. This Contract is recognized as unique by the parties and the ability to enter into and continue the relationship established by the terms hereof is dependent upon the success of the working relationship established in providing Telephone Company the ability to meet its regulated public utility service obligations.
- 29. Any communications or notices required by or relating to this Contract shall be deemed to have been duly given upon receipt in writing by the addressee addressed, if to
Customer
at
attention: _____ and if to Telephone Company
at
attention:
The address to which communications or notices may be given by either party may be changed by written notice given by such party to the other pursuant to this paragraph.

*See Exhibit A for the completion of blank Contract area.

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30. Telephone Company may declare a default under this Contract by giving the Customer notice in writing of the default in performance. If Customer's default is not cured within thirty (30) days of the receipt of notice the Telephone Company will take such steps as are necessary to secure its remedies under law.
31. The failure of Telephone Company to give notice of default, or to enforce or to insist upon compliance with any of the terms or conditions of this Contract, or the waiver of any term or condition of this Contract or Bill of Sale given to Customer at sale closing, or the granting of an extension of time for performance, shall not constitute a permanent waiver of any term or condition of this Contract or Bill of Sale, and this Contract and Bill of Sale and all of their provisions shall remain at all times in full force and effect until modified by the parties in writing.
32. The Premises Owner by concurrence herein consents to the sale of the premises wiring to Customer and agrees that Telephone Company hereafter shall have no obligation to extend its lines from the premises entry point(s) to any other place on the premises to provide Telephone Company services to Premises Owner, its lessees and assigns, except on being reimbursed its costs as provided herein.
33. Customer agrees that on termination of its possession of premises, ownership of the premises wiring shall transfer to premises owner, subject to the terms and conditions of this Contract, the Bill of Sale, and the license for Telephone Company to use the premises wiring to provide its separate services on the premises.
34. The Premises Owner and Customer grant to Telephone Company an indefeasible and exclusive easement over the premises for its central office lines to the premises entrance point(s), for the terminating equipment and apparatus at the premises entrance point(s) and for its wiring throughout the premises for the separate communication services furnished by Telephone Company to the Customer and other persons on the premises.

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35. Customer warrants that Customer is the (owner/lessee) of the premises and has the right to enter into this agreement, and Customer covenants that Telephone Company may quietly enjoy the easements and agreements here made for the uses and purposes stated herein and that this Contract shall be binding on Customer, its successors, and assigns for the premises here involved.
36. The Telephone Company's easements and/or right of way will not be included as part of the sale of cable which intersects the public right of way.
37. No licenses, express or implied, under any patents are granted by Telephone Company to Customer hereunder.
38. Neither Telephone Company nor Customer shall require waivers or releases of any rights from representatives of the other in connection with visits to Telephone Company's and Customer's respective premises, and no such releases or waivers shall be pleaded by Telephone Company or Customer or third persons in any action or proceeding.
39. Customer represents and warrants that no officer, employee, or agent of Telephone Company has been or will be employed, retained, paid a fee, or otherwise has received or will receive any personal compensation or consideration by or from Customer or any of Customer's officers, employees, or agents in connection with the obtaining, arranging, or negotiation of this Contract or other documents or agreements entered into or executed in connection herewith.
40. If any of the provisions of this Contract shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Contract, but rather the entire Contract shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Telephone Company and customer shall be construed and enforced accordingly.

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41. This Contract sets forth the entire understanding of the parties and supersedes any and all prior arrangements, agreements, and understandings relating to the subject matter hereof and may not be changed except in writing by the parties referencing this Contract. No representation, promise, inducement, or statement of intention has been made by either party which is not embodied herein. This Contract may be executed in one or more counterparts, and all such counterparts shall constitute one and the same instrument.

In Witness Whereof the Parties Execute This Contract as of the Date First Above Written.

Southwestern Bell
Telephone Company

Customer

By: _____
Type Name _____
Title: _____
Date: _____

By: _____
Type Name _____
Title: _____
Date: _____

Concurred:
Premises Owner

By: _____
Type Name _____
Title: _____
Date: _____

PROPRIETARY

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CONTRACT FOR SALE OF PREMISES WIRE/CABLE

1. THIS CONTRACT IS ENTERED INTO AS OF MAY 4, 1984
- By:
2. Telephone Company Name: Southwestern Bell Telephone Co.
3. Address: 1611 Des Peres
St. Louis, MO 63131
4. Customer Name: ABC Co. (A Missouri Partnership)
5. Address: 123 Adam St.
Suite 2A
St. Louis, MO 63129
6. Premises Owner Name: SAME AS CUSTOMER
- Address:

FOR THE SALE OF PREMISES WIRE/CABLE AS FOLLOWS:

7. Customer's Telephone Number: 314-555-9501
8. Location of Wiring: 123 Adam Street
St. Louis, MO 63129
9. Purchase Price: \$ 2,400.00
Basic price of
- Ad Valorem Tax: 478.50
Based on an Annual Estimated Tax Rate
Factor of .012462
- Sales Tax: 135.00
Based on an Estimated Tax Rate of .05625
- Make-Ready and Rearrangement Work: Ø
- Total Dollar Amount: \$ 3,013.50
10. Advance Payment: Ø
11. Closing Date: May 4, 1984
12. Bill of Sale in Name Of: ABC Co.

WHEREIN THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Telephone Company agrees to sell and Customer agrees to purchase certain items of premises telephone wiring as described in Exhibit A, for the cash consideration stated and the performance of the obligations provided herein.

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EXHIBIT A
(Sample)

2. Telephone Company agrees to perform make-ready facility rearrangement work associated with this sale for the charge, either lump sum or cost, as set out for each work order as shown on Exhibit B. Customer agrees to pay in advance all charges for make-ready work. Where make-ready work is performed on a cost basis, the advance payment required will be estimated. If the costs exceed the estimate, Customer agrees to pay the balance due within thirty (30) days of billing or at closing, whichever occurs first. If the costs do not exceed the estimate, the balance shall be credited to Customer at closing.
3. The words and phrases listed below when used herein are defined as follows:
 - a. "Premises" means the land, buildings, connecting tunnels and conduit, generally known as the Customer's property as shown on a premises diagram attached hereto as Exhibit C.
 - b. "Premises entrance point" means the place on the premises where central office cables and lines are initially terminated before connection with house cable, network terminating wire, and station connection wiring for distribution of lines and services throughout the premises.
 - c. "House cable and network terminating wire" means the house distribution cable or wire on the premises that extends from the premises entrance point to the service location.
 - d. "Network interface" means a termination jack, strip, or block where Telephone Company central office access lines for network service is provided and at which the Customer may attach Customer-provided terminal equipment and associated wiring.
 - e. "Separate service" means any communications service provided by Telephone Company on the premises, including public coin and coinless telephone stations, central office access lines for business and residence exchange telephone service, and

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EXHIBIT A
(Sample)

for other network services that are not switched by Customer's equipment, whether provided to the Customer or others located on the premises or to other carriers for their services on the premises.

- f. "Interface like terminal" is a terminal jack, strip, or block which permits a separation in the continuity of a wire by removal of a connector without removing the wire from the terminal, or which facilitates the connection of two wires in the same manner, and which may be used for testing separate wire segments.
 - g. "Parties" refer to the Telephone Company, the Customer, and Premises Owner, if different from the Customer.
4. The premises wiring sold herein includes all station connection wiring, house cables, terminal jacks, strips and blocks, cabinets and associated wiring apparatus on the premises side of the premises entrance point, but excluding the network interface and all cables, wiring and associated apparatus on the central office side of the premises entrance point and excluding those cables, if any expressly excluded on Exhibit A.
5. Telephone Company and Customer agrees to the premises entrance point or points for each building or area on the premises. The parties may mutually agree to establish one or more additional premises entrance points for termination of central office access lines to serve specified areas of the premises. Exhibit A indicates the point or points to be agreed upon by the parties as part of this contractual agreement.
6. The customer agrees to pay Telephone Company, on signing of this Contract or at closing, the basic purchase price shown on the face of this Contract, plus any amount due for make-ready work, applicable sales taxes, and the Customer's prorata share of Telephone Company's ad valorem property tax. In addition, the Customer agrees to reimburse Telephone Company for construction,

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EXHIBIT A
(Sample)

installation of separate facilities for separate services provided by Telephone Company on the premises side of the premises entrance point, and to provide the conduit, raceways, risers, racks, hangers, wall and floor holes, and other supporting structures required to place Telephone Company's cables and wire in, through, to, and between the buildings on the premises.

7. Ad valorem property taxes are prorated to the date of closing, with the Customer to pay one twenty-fourth of the applicable property tax for each half month or portion thereof between the date of closing and December 31. If Customer is exempt from paying sales taxes, Customer will provided Telephone Company with a current copy of Customer's sales tax exemption letter. Customer agrees to pay the applicable tax amounts to Telephone Company at closing.
8. The list of property items of premises wiring sold and the purchase price shall be adjusted to reflect additions and removals of house cable, wiring, and associated apparatus between the date of this Contract and closing.
9. When there is an obligation hereunder to reimburse Telephone Company for costs incurred in constructing, installing, maintaining, and repairing premises wiring, such costs will be determined by the Telephone Company's cost accounting system used in its regular business to charge its capital and expense accounts. The direct costs so determined will be multiplied times a factor of 1.15 for general overhead and return, and such amount shall be paid by the Customer on presentation of a bill therefor by Telephone Company. Provided, however, if the charge for any work operation is specified in a tariff filed with the regulatory commission with jurisdiction over the subject matter, the work operation will be billed at the tariff rate.
- 13.

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EXHIBIT A
(Sample)

10. Telephone Company, after receiving full payment for the premises wiring and make-ready work, shall provide the Customer with a Bill of Sale for the property purchased. The Bill of Sale shall transfer and assign title to the property, effective on the date of closing, to the Customer with all attendant rights and obligations.
11. The date of closing shall be the date on which Telephone Company disconnects that portion of its telephone service furnished to the Customer that utilizes the station connection wiring property sold herein. The parties agree that disconnect and closing shall be on the date shown on the face page of this Contract, or on such other date as the parties may mutually agree in writing in coordinating cutover arrangements for the Customer.
12. The parties agree that in consideration for the Telephone Company selling and transferring the premises wiring to the Customer, all wiring required on the premises to provide service to the Customer's premises, internally beyond the premises entrance point(s) agreed to, shall hereafter be provided by the Customer constructing separate facilities for the Telephone Company or paying the Telephone Company the cost of constructing separate facilities, notwithstanding that service responsibility may reside with Telephone Company under its tariffs from the premises entrance point(s) to the network interface of the service furnished.
13. In lieu of and as a substitute for providing or reimbursing Telephone Company for construction of separate facilities, the Customer will provide Telephone Company an indefeasible license and right to use without charge good usable wire pairs in the telephone wiring sold herein or in wiring that may be placed hereafter by Customer on the premises.
 - a. The good usable wire pairs shall be provided from the premises entrance point(s) for the building involved to a point near the location of the service to be provided.

PROPRIETARY

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EXHIBIT A
(Sample)

- b. The specific wire pairs for use by the Telephone Company will be identified by the standard Plastic Insulated Conductor color code system which will include the binder color code as well as the individual pair color code.
 - c. Telephone Company shall terminate its central office lines and facilities at the premises entrance point(s) and provide a network interface or interface-like connection terminal on which house distribution cable or network terminating wire may be connected for Telephone Company's separate service, in addition to the network interface provided for the Customer's equipment central office access lines.
 - d. The Customer shall connect the house cable pair or network terminating wire which is to be used as a substitute on the network interface or interface-like terminal at the premises entrance point(s) and make all jumper connections between such point(s) and the service location. At the service location Telephone Company shall connect its service or network interface-like device and any associated wiring.
 - e. If additional service is requested by the Customer and there are insufficient good usable cable pairs available at the service location, the Customer agrees to construct and install additional facilities from the premises entrance point to the service location. If the Customer does not provide such additional facilities, Telephone Company may install them, and the Customer agrees to reimburse Telephone Company for its costs as herein provided.
 - f. The parties will establish work rules and procedures which will facilitate the convenient exchange of work orders and service requests.
14. If the Customer does not maintain and repair all wire furnished to Telephone Company for its use or provide usable substitute wire pairs on a timely basis, Telephone Company may make such repairs

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EXHIBIT A
(Sample)

on the wire owned by the Customer or install additional wire as it determines necessary to restore, repair, or provide any separate network service that it furnishes. If the customer-owned cable suffers physical damage (either partial or complete) and the Telephone Company restores or replaces the cable, the Customer agrees to reimburse Telephone Company for its costs. The customer agrees to waive refunds due and to reimburse Telephone Company for refunds made to other customers on the premises under Telephone Company tariffs or regulatory rules for service interruptions and defects in service which result from defects in wiring furnished by the Customer or failure of the Customer to repair or provide usable substitute wire pairs on a timely basis.

15. Telephone Company's liability for any defects in work it performs on cables owned by the Customer shall be limited to repair or replacement of the cable damaged, but it shall have no liability or responsibility for damage caused to any electronic or terminal equipment associated with such lines or for loss or defects in transmissions through such lines, or for consequential damages.
16. The obligation of the Customer to pay for or provide wiring for the provision of separate service on the premises beyond the premises entry point(s) extends to every service offered under both the Telephone Company's intrastate or interstate tariffs, requested by every person and entity located on the described premises, without regard to whether such person or entity is owned or under the control of the Customer.
17. Telephone Company disclaims any and all liability for any injury or damage to persons and property arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission services, failures or defects in equipment and facilities which are owned by the Customer, and injuries or damage resulting from the construction, maintenance, or use of facilities owned by said Customer but licensed to the Telephone Company.

PROPRIETARY

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Telephone Company except under written agreement.

EXHIBIT A
(Sample)

18. Telephone Company shall not be liable to Customer or any third parties claiming through or for customer for any indirect, special or consequential damages even if advised of the possibility of such damages.
19. The Customer agrees to secure its telephone equipment rooms and house cable termination locations through which separate telephone services are provided by locked cabinets or rooms or by limiting access thereto to authorized personnel, so that the privacy of the service is made reasonably secure from unauthorized intrusion.
20. The Telephone Company does not undertake to secure from disclosure to third parties any specifications, drawings, sketches, models, samples, tools, computer or other apparatus programs, technical information or data, written, oral or otherwise, furnished by customer to Telephone Company under this Contract or in contemplation of this Contract which are considered by Customer to be confidential or proprietary.
21. Any specifications, drawings, sketches, models, samples, tools, computer or other apparatus programs, technical or business information or data, written, oral or otherwise (all hereinafter designated "Information"), furnished to Customer by Telephone Company under this Contract or in contemplation of this Contract, shall remain Telephone Company's property. All copies of such Information in written, graphic, or other tangible form shall be returned to Telephone Company at its request. Unless such Information was previously known to Customer free of any obligation to keep it confidential, or has been or is subsequently made public by Telephone Company or a third party, it shall be kept confidential by Customer, shall be used only in performing under this Contract, and may not be used for other purposes except upon such terms as may be agreed upon between Telephone Company and Customer in writing.

PROPRIETARY

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EXHIBIT A
(Sample)

22. Telephone Company shall maintain and keep that portion of the premises wiring in repair that it presently is obligated by tariff to maintain and repair to the date of disconnect suitable for its own service requirements, but shall have no obligation to the Customer or other parties to maintain or repair any premises wiring after the date of sale closing.
23. Telephone Company shall bear the risk of loss to the premises wiring prior to disconnection of the service but shall have no obligation to repair, restore, or furnish similar property, if the premises wiring is materially destroyed by fire or other casualty. If new wiring is installed by Telephone Company after destruction, the purchase price shall be adjusted to reflect the value of the new wiring added and the wiring not replaced. The Customer bears the risk of loss to the property from and after the date of sale closing.
24. This Contract is subject to such regulation as may be imposed by the applicable State Regulatory Commission and Federal Communications Commission. The parties understand that the obligations hereunder may be modified in order to conform with the lawful orders and regulations of these Commissions.
- The construction, interpretation, and performance of this Contract shall be governed by the domestic laws of the state where the premises wiring is situated.
25. If this sale is voided or rescinded in part or in whole through regulatory order, the parties agree that Telephone Company shall have no liability for damages or extra expense incurred by the Customer in connection with this sale.
26. Telephone Company warrants that it is the owner of the listed items of premises wiring and associated apparatus and that they are free of all liens and encumbrances.

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EXHIBIT A
(Sample)

27. Telephone Company does not warrant that the premises wiring and associated apparatus is free from defects or that it may be used for any particular purpose. The premises wiring and associated apparatus is sold on an AS IS BASIS WITH ALL FAULTS at the time of closing.

THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

28. This Contract is recognized as unique by the parties and the ability to enter into and continue the relationship established by the terms hereof is dependent upon the success of the working relationship established in providing Telephone Company the ability to meet its regulated public utility service obligations.

29. Any communications or notices required by or relating to this Contract shall be deemed to have been duly given upon receipt in writing by the addressee addressed, if to

14. Customer ABC Co.
at 123 Adam St., Suite 2A, St. Louis, MO 63129
attention: Ralph Jones, Partner and if to Telephone Company

15. at 1611 Des Peres, St. Louis, MO Attention: Sam Slade,
Account Executive.
The address to which communications or notices may be given by either party may be changed by written notice given by such party to the other pursuant to this paragraph.

30. Telephone Company may declare a default under this Contract by giving the Customer notice in writing of the default in performance. If Customer's default is not cured within thirty (30) days of the receipt of notice, the Telephone Company will take such steps as are necessary to secure its remedies under law.

PROPRIETARY

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EXHIBIT A

(Sample)

31. The failure of Telephone Company to give notice of default, or to enforce or to insist upon compliance with any of the terms or conditions of this Contract, or the waiver of any term or condition of this Contract or Bill of Sale given to Customer at sale closing, or the granting of an extension of time for performance, shall not constitute a permanent waiver of any term or condition of this Contract or Bill of Sale, and this Contract and Bill of Sale and all of their provisions shall remain at all times in full force and effect until modified by the parties in writing.
32. The Premises Owner by concurrence herein consents to the sale of the premises wiring to Customer and agrees that Telephone Company hereafter shall have no obligation to extend its lines from the premises entry point(s) to any other place on the premises to provide Telephone Company services to Premises Owner, its lessees and assigns, except on being reimbursed its costs as provided herein.
33. Customer agrees that on termination of its possession of premises, ownership of the premises wiring shall transfer to premises owner, subject to the terms and conditions of this Contract, the Bill of Sale, and the license for Telephone Company to use the premises wiring to provide its separate services on the premises.
34. The Premises Owner and Customer grant to Telephone Company an indefeasible and exclusive easement over the premises for its central office lines to the premises entrance point(s), for the terminating equipment and apparatus at the premises entrance point(s) and for its wiring throughout the premises for the separate communication services furnished by Telephone Company to the Customer and other persons on the premises.
35. Customer warrants that Customer is the (owner/lessee) of the premises and has the right to enter into this agreement and Customer covenants that Telephone Company may quietly enjoy the easements and agreements here made for the uses and purposes stated herein and that this Contract shall be binding on Customer, its successors and assigns for the premises here involved.

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Telephone Company except under written agreement.

EXHIBIT A
(Sample)

36. The Telephone Company's easements and/or right of way will not be included as part of the sale of cable which intersects the public right of way.
37. No licenses, express or implied, under any patents are granted by Telephone Company to Customer hereunder.
38. Neither Telephone Company nor Customer shall require waivers or releases of any rights from representatives of the other in connection with visits to Telephone Company's and Customer's respective premises, and no such releases or waivers shall be pleaded by Telephone Company or Customer or third persons in any action or proceeding.
39. Customer represents and warrants that no officer, employee, or agent of Telephone Company has been or will be employed, retained, paid a fee, or otherwise has received or will receive any personal compensation or consideration by or from Customer or any of Customer's officers, employees, or agents in connection with the obtaining, arranging, or negotiation of this Contract or other documents or agreements entered into or executed in connection herewith.
40. If any of the provisions of this Contract shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Contract, but rather the entire Contract shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Telephone Company and Customer shall be construed and enforced accordingly.

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EXHIBIT A
(Sample)

41. This Contract sets forth the entire understanding of the parties and supersedes any and all prior arrangements, agreements, and understandings relating to the subject matter hereof and may not be changed except in writing by the parties referencing this Contract. No representation, promise, inducement, or statement of intention has been made by either party which is not embodied herein. This Contract may be executed in one or more counterparts, and all such counterparts shall constitute one and the same instrument.

In Witness Whereof the Parties Execute This Contract as of the Date First Above Written.

Southwestern Bell
Telephone Company

Customer
ABC Co.

By: _____
Type Name Steve Smith
Title: Marketing Manager
Date: May 4, 1984

By: _____
Type Name Ralph Jones
Title: Vice President
Date: May 4, 1984

Concurred:
Premises Owner
N/A

By: _____
Type Name _____
Title: _____
Date: _____

PROPRIETARY

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EXHIBIT A
(Sample - Instructions)

CONTRACT FOR SALE OF PREMISES WIRE/CABLE

PAGE 1

1. The date entered should be a standard date entry, i.e., June 24, 1984.
2. The Telephone Company Name should be our full corporate name: Southwestern Bell Telephone Co.
3. The Telephone Company Address used should be the main local address such as used in other business matters.
4. Customer Name should be the full legal name of the Company. Include in parenthesis if the customer is a Corporation, Partnership, or Sole Proprietor and the state.

FOR EXAMPLE:

XYZ, Inc. (A Texas Corporation)
John Jones Company (A Kansas Sole Proprietor)
Ziffel and Ziffel (An Arkansas Partnership)

5. The Customer Address should be complete and include suite and office number if in a multi-tenant premises. It is preferable that we not use post office boxes as a legal address.

FOR EXAMPLE:

1010 Cola Street
Suite 1002
St. Louis, Missouri 63102

6. Premises Owner Name and Address need only be completed if different from the Customer. If the customer is the premises owner, leave this area blank or insert "Same as Customer."

If the Premises Owner is different from the Customer, insert name and address following the same rules described in steps 4 and 5.

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EXHIBIT A
(Sample - Instructions)

7. The Customer's Telephone Number should be the complete main listed number for the premises involved:

FOR EXAMPLE:

999-555-4444

8. The Location of Wiring refers to the address of the wiring to be purchased. This may be the same as Customer address. Some sales, however, may involve more than one address or an address different from step 5.

Regardless, indicate here the address of the wiring to be sold:

1501 East 10th Street
Adam City, Texas 96502

9. Purchase Price, Tax Amounts, and a Total are entered in the appropriate blank space and added together for a total.

Ad Valorem Tax and Sales Tax rates as pertain to the specific state is inserted along with the tax amounts. See Exhibit X.

10. Any Advance Payment received is indicated in this space.
11. The Closing Date is usually the date all parties have signed the agreement. This date is considered the official date where Telephone Company ownership ends and Customer ownership begins and is used in processing the necessary service orders.
12. Usually the "Bill of Sale in Name Of" will be the same as the official Customer Company name.

PAGE 4, PARAGRAPH 9

13. To date the factor concerning general overhead and return is "1.15." This should be inserted in the blank space on line 7.

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EXHIBIT A
(Sample - Instructions)

This figure is not typed onto the basic Contract since it is subject to state variations and/or future changes. Comptrollers generally develops this rate.

PAGE 10, PARAGRAPH 30

14. The notification clause requires we specify the name and address where notification is to be received. For the Customer, this may be the same information as used on page one. Be aware, however, that many customers may use a corporation headquarters address in this situation, insert the Customer-specified notification address and name or title of person to receive notification.
15. The local address of the CSPW Coordinator or Sales Person and title of our Company contacted is inserted in item 17.

SIGNATURE BLOCKS - PAGE 13

16. The Telephone Company Signature should be that of the individual specified in the Schedule of Authorizations.

By: - Signature of Telephone Company person
Type Name: - Typed or printed for clarity
Title - Title of person signing is to be typed or printed.
Date - Date of signature
17. In the Customer's signature block type/print the Company's name as it appears on page 1.

By: - Authorized person signing for the Customer
Type Name: - Typed or printed for clarity
Title - Title of person signing is to be typed or printed.
Date - Date of signature
18. If the premises owner is different from the Customer, complete this section following the same rules as in item 20. Include the official Company name of the Premises Owner.

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EXHIBIT B
(Customer Reasons)

REMOVAL/DISABLING LETTER

(Address of Customer)

Dear Mr. _____ :

In view of your decision not to purchase or lease (under approved tariff) the telephone company in-place facilities, we will make every reasonable attempt to remove all wire and/or cable from your premises on or before _____.

Our preliminary analysis indicates one or more of the following conditions with respect to the removal process:

- _____ We will be able to remove all existing in-place wire and/or cable.
- _____ Complete removal of all in-place wire and/or cable may not be possible without causing damage to the structure.
- _____ Complete removal of all in-place wire and/or cable may not be possible because of the routing.
- _____ Complete removal of all in-place wire and/or cable may not be possible because of the condition of the conduit.

In those areas where complete removal cannot be reasonably performed, we propose to abandon and/or disable the wire and/or cable in-place. We have attached a sketch of the questionable areas for your consideration. If you so desire, you or your designate may attempt removal of the wire and/or cable in these areas.*

In order for us to proceed, please indicate your acceptance or rejection of this proposal by signing and dating the appropriate line below. We have enclosed a return envelope for your reply.

If there are any questions concerning this removal and/or disabling plan, I can be reached on _____.

Sincerely,
(CSPW)

I Accept:
By: _____
Date: _____

I Reject:
By: _____
Date: _____

- I will complete removal attempts before _____ (Not more than five working days from date of Customer's signature)**

* This paragraph is not applicable if only first option is checked (i.e., if all wire and/or cable can be removed without damage).

** This should be included only if paragraph note by * is used.

PROPRIETARY

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EXAMPLE B1
(Company Reasons)

REMOVAL/DISABLING LETTER

(Address of Customer)

Dear Mr. _____ :

A careful review of our premises wiring records has indicated that the sale of Telephone Company in-place facilities is not feasible. We will make every reasonable attempt to remove all wire and/or cable from your premises on or before _____.

Our preliminary analysis indicates one or more of the following conditions with respect to the removal process:

- _____ We will be able to remove all existing in-place wire and/or cable.
- _____ Complete removal of all in-place wire and/or cable may not be possible without causing damage to the structure.
- _____ Complete removal of all in-place wire and/or cable may not be possible because of the routing.
- _____ Complete removal of all in-place wire and/or cable may not be possible because of the condition of the conduit.

In those areas where complete removal cannot be reasonably performed, we propose to abandon and/or disable the wire and/or cable in-place. We have attached a sketch of the questionable areas for your consideration. If you so desire, you or your designate may attempt removal of the wire and/or cable in these areas.*

In order for us to proceed, please indicate your acceptance or rejection of this proposal by signing and dating the appropriate line below. We have enclosed a return envelope for your reply.

If there are any questions concerning this removal and/or disabling plan, I can be reached on _____.

Sincerely,
(CSPW)

I Accept:
By: _____
Date: _____

I Reject:
By: _____
Date: _____

- I will complete removal attempts before _____ (Not more than five working days from date of Customer's signature)**

* This paragraph is not applicable if only first option is checked (i.e., if all wire and/or cable can be removed without damage).

** This should be included only if paragraph note by * is used.

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EXHIBIT C

HISTORY DATA CARD

ADDRESS (INCLUDE ROOM AND/OR FLOOR WHERE APPLICABLE)							
DATE	CUSTOMER	BUILDING OWNER	CUSTOMER PREMISES EQUIP. FURNISHED BY		CURRENT ACTIVITY	PREMISES WIRE DISPOSITION	REMARKS
			BELL	CPE			

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SOUTHWESTERN BELL TELEPHONE COMPANY

Inventory Model - 232 WIRE

ALL STATES

Type Termination	Price Per Termination
Key	\$30
Single Line or Electronic	\$11

EXAMPLE:

Key Terminations = 210 at \$30 = \$6,300

Single Line or
Electronic Terminations = 308 at \$11 = \$3,388

Total Inside Wire Model Sale Price = \$9,688 (See NOTE ONE)

NOTE ONE: If house cables (or other outside plant accounts) are involved, they must be inventoried, priced, and added to the total inside wire Model sale price.

NOTE TWO: The Contact Negotiator should compare the size and type of the Customer's business with their station requirements, checking for reasonableness.

NOTE THREE: This Model cannot be used if any of the following conditions exist:

1. Location was pre-wired by the Company, but Company equipment and service was never installed.
2. Portion of the inside wiring will be required for Southwestern Bell Telephone Company services such as coin, private line, etc. - unless Southwestern Bell Telephone Company obtains a signed Contract for Sale.

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ASSIGNMENT OF CASE NUMBERS

To aid in identification and provide a tracking device, the CSPW will issue a case number in all transactions resulting in a Sale or removal/disabling.

One means of accomplishing this task may be as follows:

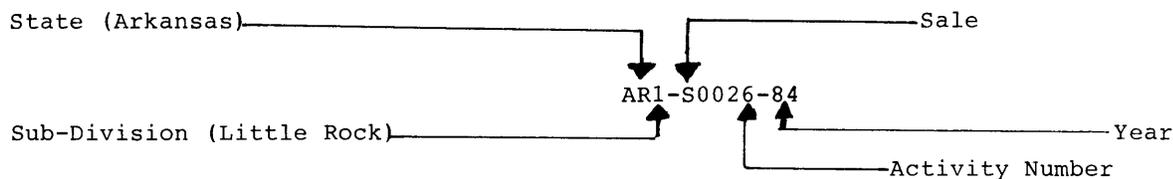
1. Identify each state using abbreviations -

Arkansas - AR
 Kansas - KS
 Missouri - MO
 Oklahoma - OK
 Texas - TX

Each state may be further divided by District, City, exchange, etc., by adding a numeral after the state abbreviation. (i.e., TX1 could be Dallas, TX2 could be Houston, etc.)*

2. Identify the type of transaction, using "S" or "P," "S" for Sale and "P" for Purchase.
3. Number each new activity, starting with "1" and progress numerically through the current year.
4. Display the current year as the last two digits of case number.

Example: Case number 26, in Little Rock, Arkansas, for Sale of premises wiring in 1984 would look like this -



*Each state should establish sub-divisions as appropriate for that state.

The numerical (Case #) sequence will encompass both "S" and "P" type transactions consecutively and will start at number "1" with each new year.

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SALE OF IN-PLACE FACILITIES
CASE NO. _____

To: Control Foreman
Manager Distribution Services
Registration Specialist (Affidavit Coordinator)
Valuation and Separations
Centralized Operations Group (COG)

Date _____

This is to advise the disposition of the proposed Sale of the following In-Place Facilities:

Customer Name _____
Address _____
City & State _____
Tel. No. _____

Customer will not purchase.

Customer will purchase - Sale to be finalized.

Closing date _____

Brief description of property to be sold: _____

In the event of a Sale - please arrange to:

- Insure Receipt of any Required Affidavits
- Prepare Sale Authorization and Bill of Sale
- Mark Customer line card information

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CONFIRMATION OF SALE

Customer Name
Customer Address

Dear _____ :

This is in response to your request to purchase the embedded inside wire located at _____ (address) _____.

The purchase price is _____ (\$ _____) plus sales tax _____ (\$ _____). In addition, the prorated property tax will be _____ (\$ _____), for a total price of _____ (\$ _____).

Please mail your check for the total amount to our Coordinator for Sale and Purchase of Wire (CSPW) in the enclosed envelope. When our CSPW receives your check for payment, an authorized Bill of Sale and a Receipt for Prorated Property Tax will be forwarded to you immediately.

If there are any questions concerning this purchase, I can be reached at _____.

Sincerely,

PROPRIETARY

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Retain 2 years, until _____

SALES MEMORANDUM/TRANSMITTAL - EMBEDDED COMPLEX WIRE
To be completed for each sale of wire/cable

ORIGINATOR:

- BSC
- Premise Sales
- CSPW

_____ Date Initiated

I. CUSTOMER DATA REGARDING PURCHASE OF WIRE:

1. CUSTOMER DATA

Business Name _____
 Street Address _____
 City/State/Zip _____
 Main Listed Tel. No. _____
 LATA Number _____
 Segment Code _____

2. SALE DATA

Date of Sale _____
 Quantity Key Sets* _____
 Quantity Single Line Sets* _____
 232 Wire \$ _____
 242 Cable (if applicable) \$ _____
 Sales Tax \$ _____
 Property Tax \$ _____
 Extraordinary Costs \$ _____
 (if applicable)
TOTAL \$ _____

*Identified on SW 2733 Records on
file 12-31-83

3. 242 SEARCH CHECKLIST

YES NO

- a. The customer has more than one building on the premises.
- b. The customer occupies space in a multi-story building.
- c. Check customer service records -
 - 1. are there multiple addresses/locations referred to?
 - 2. are there mileage charges?

4.

(ORIG.)	NAME	TELEPHONE NO.	SSN	MODULE NUMBER
Communications Consultant/	_____	_____	_____	_____
<input type="checkbox"/> BSC Salesperson	_____	_____	_____	_____
Account Executive/	_____	_____	_____	_____
<input type="checkbox"/> BSC Supervisor	_____	_____	_____	_____
Industry Manager/	_____	_____	_____	_____
<input type="checkbox"/> Manager-BSC	_____	_____	_____	_____
Marketing Manager/	_____	_____	_____	_____
<input type="checkbox"/> Dist. Mgr.-Bus. Svcs.	_____	_____	_____	_____
	City _____	State _____	Zip _____	

II. 242 CABLE REFERRAL (COMPLEX SALE ONLY)

TO: CSPW

_____ Date

The above customer is or may be utilizing SWBT Co. 242 cable. Please verify and 1) handle the case if this is a BSC Request or 2) obtain a price for the 242 cable and refer back to premises sales. Also, assign a case number to this account, if one has not already been assigned.

_____ Signature

Official File Copy, unless reproduced

PROPRIETARY

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III. AUTHORIZATION TO SELL (SIMPLE SALE ONLY):

Authorization to Sell the above described wire is hereby granted.

(Today's Date)

- Up to \$2500 DISTRICT LEVEL
- Up to \$5000 DIVISION LEVEL
- Up to \$15000 SECTION HEAD
- Up to \$25000 COMPANY Officer

Title

- Return to originator, this form and attachments.
- 2 Original Bill of Sales are Signed and Attached

IV. SIMPLE SALE CLOSED

To: CSPW

(Today's Date)

Contract Number
(from CSPW)

The above sale has been successfully negotiated. The prices were quoted _____
(Date)
and a letter requesting payment be sent to you was mailed _____ Both originally
(Date)
signed Bill of Sales are attached.

V. PAYMENT RECEIVED

TO: _____
Marketing Manager
Dist. Mgr.-Bus. Svcs.

(Today's Date)

TO: TRACKING AND ANALYSIS
1010 Pine Rm. 408
St. Louis, Mo. 63101
Attn:

TO: ACCOUNTING DISBURSEMENT (SIMPLE SALE ONLY)

TO: SAG COORDINATOR

This is to notify you that payment in the amount of \$ _____ has been received as of
_____, 1984 and completes this sale.

- Simple Sale
- Complex Sale

CSPW

CSPW Tel. Number

ACCOUNTING INFORMATION (SIMPLE SALES ONLY)

Geographic Location Code _____ Field Account Code 78PE Contact Negotiator's Responsibility Code _____
(CSPW)

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RECEIPT FOR PAYMENT OF PRORATED PROPERTY TAX

Received from _____ (Customer) _____ (as agent for
 _____) the sum for _____ (_____ dollars)
 in payment of certain ad valorem property taxes which shall be due and owing by
 Southwestern Bell Telephone Company to _____ for the tax year
 19___. This payment represents full and complete satisfaction of
 _____ (Customer) _____ portion of ad valorem property taxes prorated from
 _____ (date) through the end of tax year _____, and which will be due and
 owing from Southwestern Bell Telephone Company to _____ for
 certain property described as follows:

SOUTHWESTERN BELL TELEPHONE CO.

(Name)

Agent For/Company

Title

Date

Date

PROPRIETARY

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 Telephone Company except under written agreement.

Exhibit J
SW-4490
(REV. 1-88)



Retain 40 Years, Until _____
DAP, Part F, Section 40.3
SOURCE NO. _____
SECTION _____

Pack Number _____
SHEET 1 of 1
MONTH & YEAR 2/81

**NOTIFICATION OF MISCELLANEOUS
TRANSFER OR ADJUSTMENT**

ITEM NO.	AMOUNT #	ACCOUNT CODE	LOCATION CODE		RESPONSIBILITY CODE-ORIGINATING	FUNCTION CODE	EXTC	RESPONSIBILITY CODE-CHARGED	EST. OR NUMBER	QUANTITY #	YR. PL.	MV. TYPE	PRO. RATE %	FA. SO. ACCTG. USE ONLY	BLDG. GRP.	PRODUCT IDENTIFICATION CODE	
			BLDG. NO. (RENT TRANS.)	D													E
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	1480	4360.912	CD3000	5111250400	5D99	CY1		3981702									
	46	4010.2416	CD3000	5111250400	5DM6	CY1		3981702									
	22	4010.2418	CD3000	5111250400	5DM8	CY1		3981702									
	12	9766.1	CD3000	5111250400	5CW0	CY1											
	7	4010.2411	CD3000	5111250400	5DM0	CY1		3981702									
# ENCIRCLE ALL CREDIT AMOUNTS AND QUANTITIES																	
EXPLANATION																	
Sale of Inside Wiring Located At: 4360.912 Selling Price of Property (Station Connections, Account 232.2-789E)																	
ABC Corporation 4010.2416 State Sales Tax																	
231 Brown Road, St. Louis, Mo. 4010.2418 City Sales Tax																	
Sold To: Vendor XYZ, 9876 Highway X, Anytown, IL 00022 9766.1 Property Tax																	
Sale Authorized by Keep Cost Order S-3981702 2-5-81 4010.2411 County Sales Tax																	

PREPARED BY: (CSPW Responsible for _____) APPROVED BY: See Schedule of Authorization CONCURRENCE (If transferred to a different RC)
TELEPHONE NO. _____ TITLE: _____ APPROVED BY: _____ TITLE: _____ DATE: _____
DATE PREPARED: _____ DATE APPROVED: _____ TITLE: _____ DATE: _____

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INVENTORY OF STATION CONNECTIONS

Customer _____ Address _____ Case No. _____
 Agent Vendor _____ Address _____ District _____
 Date Inventoried _____ No. Stations _____ (+) No. Terminations (=) _____
 Date Price Quote due back to CSPW _____ Customer is not exempt from SALES TAX.
 CSPW _____ Tel. No. _____ Customer is exempt from Sales Tax-Certificate
 SLS Code _____ Tel. No. _____ attached.
 Eng. Contact _____ Tel. No. _____ (Check One Block)

Material	Unit	Material	Unit	Material	Unit
Adapter,	149B	ea	Cable, Inside Wiring	6 pair	ft
	—	ea		16 pair	ft
				25 pair	ft
		ea		— pair	ft
Adapter, Bridging	—	ea		— pair	ft
	KS19252L1	ea		— pair	ft
	KS19252L2	ea		— pair	ft
	—	ea		— pair	ft
Backboard,	168A	ea			
	—	ea	Cable, Connector		
	—	ea	A25A Sgt. End	5'	ea
	—	ea		—	ea
Block, Connecting,	42A	ea	A25B Sgt. End	5'	ea
	44A	ea		25'	ea
	47B	ea		—'	ea
	—	ea		—'	ea
	31C-25	ea		—'	ea
	59A1-50	ea		—'	ea
	—	ea	A50A Sgt. End	—'	ea
	66A1-25	ea		—'	ea
	66B3-50	ea	A75A Db1. End	—'	ea
	66B4-25	ea		—'	ea
	66E3-25	ea		—'	ea
	66E4-25	ea		—'	ea
	66M1-50	ea		—'	ea
	—	ea	A25A Db1. End	—'	ea
	—	ea		—'	ea
	—	ea		—'	ea
	—	ea	B25A Db1. End	—'	ea
Box, Apparatus,	115A	ea		—'	ea
	—	ea		—'	ea
Box, Ca. Term.	GA-11	ea	Cover,	101C	ea
	GA-16	ea		—	ea
	—	ea		KS20458L-12	ea
	—	ea		—	ea
	—	ea		—	ea
Bracket.	63A	ea			
	—	ea	Key,	—	ea

Plate, Face 16C ea
 Protector, 116C ea
 116D38 ea
 123A1A ea
 Ring, Distributing, 13A ea
 Section, Ca. Term H102 ea
 J102 ea
 Strip, Terminal, 198D ea
 Wire, "X" Conn. Type
 1 pair ft
 2 pair ft
 — pair ft
 Wire, Drop 6 pair ft
 — pair ft
 Wire,Sta. Grd. — Ga ft
 Wire,Sta. Type — Paired ft
 Triple ft
 Quad ft

Other Information
 Condition of Plant*
 Excellent — Good —
 Fair — Poor —
 Installation Labor Hours _____
 Do not include set connection time.

NOTE: If Building Cable (12C) or other outside plant is involved, attach a copy of the records with items to be sold clearly marked. Give make-up of all NCA terminals, i.e., equipped with _____.
 After the sale, will the customer require the same amount of plant as is being sold?
 Explain _____

*(See Reverse)

PROPRIETARY

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CONNECTIONS

When making inspections of inside wire and cable, the inspectors shall take into consideration the conditions of the wire itself (broken insulation, etc.) and the manner in which it is run (loose or missing staples, protection at points subject to wear, etc.). Inside wire or cable and associated protector, ground wire, ground clamps or rod shall be considered as a whole and classified as indicated below:

Condition	Inside Wire and Cable
Excellent	All new or equivalent of new.
Good	Not the equivalent of new but indicates slight evidence of abrasions or loss of support.
Fair	Needs minor repairs; shows considerable abrasions, damage or loss of support, but not in immediate need of rerouting, refastening, or replacement.
Poor	Indicates immediate need of rerouting, refastening, or replacement.

Condition classifications for house cable are as follows:

Condition	Cable
Excellent	New or equivalent of new -- Plastic sheath shiny.
Good	Sheath in good condition but not equivalent of new: may be bowed or wavy or have slight mechanical damage. Sheath dulled.
Fair	Sheath is crystallized, evidenced by fine hairline cracks in sheath, mechanical damage, ring cuts, and burns which would not indicate necessity for early replacement of the cable.
Poor	Excessive crystallization, mechanical damage, cuts, burns, or maintenance splices which would indicate desirability of early replacement.
Defective	Needs replacement immediately.

Condition classifications for terminals are as follows:

Condition	Terminal
Excellent	New or equivalent of new.
Good	Some wear and rust evident.
Fair	Cracked face plate, rust, broken or missing parts.
Poor	Needs replacement.

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PURCHASE PRICE QUOTATION LETTER

(Address of customer)

Dear Mr. _____ :

This is in response to your request dated _____, for a purchase price of Telephone Company in-place facilities located at _____.

The purchase price is _____ (\$ _____) plus sales tax _____ (S _____), for a total price of _____ (\$ _____). In addition to the purchase price, the property tax will be figured from closing date (Bill of Sale date), this will be approximately _____ (\$ _____).

If extraordinary charges will be incurred in concluding this transaction, they will be (Actual) (Estimated) _____. (\$ _____). Please sign the attached "Application for Custom Work" and return with this letter.

Please be advised this purchase price quotation will be valid until _____ (90 Days). Thereafter, a new appraisal request may be required. It should be further noted that notification should be given to the Telephone Company a minimum of ten (10) working days prior to the closing date to allow completion of any required work.

Please indicate your acceptance or rejection of this quotation in the appropriate space below and return in the enclosed envelope. This letter is not an offer to sell. If this quotation is accepted, an offer to sell, in the form of a contract, will be made.

If there are any questions concerning this purchase, I can be reached on _____.

Sincerely,
(CSPW)

I Accept:

I Reject:

(Signature)

(Signature)

(Date)

(Date)

Please proceed with the Bill of Sale and Contract.

Attachment(s) -

PROPRIETARY

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ATTACHMENT TO
PURCHASE PRICE QUOTATION LETTER EXHIBIT L

Following is a brief description of Telephone Company in-place facilities for sale to _____, at the following premises:

City & State _____
Tel. No. _____

The itemization of plant included in the attached purchase price quotation is as follows: _____

Any extraordinary charges incurred to conclude this transaction are figured by (Actual) (Estimated) costs to the Telephone Company and include the following work operations and/or material: _____

Any additions or deletions from this quotation will cause a new appraisal to be conducted and possible changes to any extraordinary charges that may exist.

This offer expires on _____ (Same date as LTR) _____.

CSPW

Date

PROPRIETARY

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PURCHASE PRICE QUOTATION LETTER

(Address of Customer)

Dear Mr. _____ :

This is in response to your request dated _____, for a purchase price of Telephone Company in-place facilities located at _____.

The purchase price is _____ (\$ _____) plus sales tax _____ (\$ _____), for a total price of _____ (\$ _____). In addition to the purchase price, the property tax will be figured from closing date (Bill of Sale date), this will be approximately _____ (\$ _____).

If extraordinary charges will be incurred in concluding this transaction, they will be (Actual) (Estimated) _____ (\$ _____). Please sign the attached "Application for Custom Work" and return with this letter.

Please be advised this purchase price quotation will be valid until _____ (90 Days) _____. Thereafter, a new appraisal request may be required. It should be further noted that notification should be given to the Telephone Company a minimum of ten (10) working days prior to the closing date to allow completion of any required work.

IN ORDER FOR ALL ON-PREMISES DISTRIBUTION PLANT TO BE SOLD, AN AGREEMENT MUST BE SIGNED PROVIDING THAT "IN LIEU OF AND AS A SUBSTITUTE FOR REIMBURSING THE TELEPHONE COMPANY FOR CONSTRUCTION OF SEPARATE FACILITIES, THE CUSTOMER MAY PROVIDE TO THE TELEPHONE COMPANY, FROM TIME TO TIME AS REQUIRED TO PROVIDE SEPARATE SERVICE, AN INDEFEASIBLE LICENSE AND RIGHT TO USE WITHOUT CHARGE, GOOD USABLE WIRE PAIRS IN THE TELEPHONE WIRING SOLD HEREIN OR IN WIRING THAT MAY BE PLACED HEREAFTER ON THE PREMISES."

Please indicate your acceptance or rejection of this quotation in the appropriate space below and return in the enclosed envelope. This letter is not an offer to sell. If this quotation is accepted, an offer to sell, in the form of a contract, will be made.

If there are any questions concerning this purchase, I can be reached on _____.

Sincerely,
(CSPW)

I Accept:

I Reject:

(Signature)

(Signature)

(Date)

(Date)

Please proceed with the Bill of Sale and Contract.

Attachment(s) -

PROPRIETARY

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EXHIBIT O
SAMPLE
FORM 5.6925
(12.57)

BILL OF SALE

This indenture made this _____ day of _____, 19____ by and between the SOUTHWESTERN BELL TELEPHONE COMPANY, a corporation of the State of Missouri, hereinafter called the Vendor and _____ of _____, hereinafter called the Vendee,

WITNESSETH:

That the said Vendor for and in consideration of the sum of _____ dollars (\$_____) this day paid it by the Vendee, the receipt whereof is hereby acknowledged, does by these presents sell, assign, transfer and convey unto the said Vendee, _____executors, administrators, heirs, successors, and assigns, all its right, title and interest in and to the following and no other described property to-wit:

The location and description will appear more fully on the detailed plat thereof, hereto attached and made a part of this Bill of Sale.

It is understood that the Vendor does not warrant the title to any right of way or easement upon which the property herein described is or may be located.

IN WITNESS WHEREOF, the Vendor has caused this instrument to be executed by its officers and agents hereunto duly authorized at _____ the day and year first above written.

SOUTHWESTERN BELL TELEPHONE COMPANY,

By _____

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

TRANSMITTAL

(City) _____ Date _____

DIVISION MANAGER-CLERICAL SERVICES - (City):

Attached are the original Bill of Sale, two conforming copies and the original Sales Memorandum No. _____ covering a sale of inside wiring at:

Check No. _____ dated _____ from _____
 _____ was forwarded to the Treasury Manager
 _____ was forwarded to the Treasury Manager on
 (CSPW) (Name) (City) (State) _____ to cover proceeds of the
 sale. Accounting information for the proceeds are as follows:

Location Code _____ Responsibility Code _____

<u>Account</u>	<u>Description</u>	<u>Dr</u>	<u>Cr</u>
Use current	- Miscellaneous Cash Receipts	\$ _____	_____ --
Accounting	- Selling Price of Property	_____ --	\$ _____
Codes	- State Sales Tax Collected	_____ --	_____ --
	- City Sales Tax Collected	_____ --	_____ --
	- Ad Valorem Tax Collected	_____ --	_____ --

Tax Exempt Certificate No. _____

The effective date of transfer is the date of the Bill of Sale,
 _____ . Sales Memorandum No. _____ may now be
 closed.

Questions concerning this matter may be referred to _____ (Name) at
 _____ (Telephone No.) .

Division Staff Manager-

Attachments

CC: DISTRICT STAFF MANAGER-AD VALOREM TAXES - (City)

DEPARTMENT

PROPRIETARY

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 Telephone Company except under written agreement.

Catalog Listing

- List only the items to be purchased.
- List items as shown in catalog or as near as can be described.

Quantity (Qty)

- Give quantity in number of items only.
- Estimated footage should be rounded off to the nearest 100 feet.

Location

- Show the location where each inside wire or connector cable is terminated.

Condition

- Determine that the facilities are in serviceable condition, irrespective of age.
- Use designations as follows for condition:

- E -- Excellent -- New or like new.
- G -- Good -- Some wear but not in need of repair.
- F -- Fair -- Needs minor repair in near future.
- P -- Poor -- In need of immediate repair but serviceable.
- D -- Defective -- Not usable-Not to be purchased.

Installation Time

- The individual(s) making the inventory should estimate the time required to install the wiring and/or terminal equipment based on observation of the conditions and personal knowledge of techniques currently available.

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EXHIBIT R

PURCHASE OF IN-PLACE FACILITIES
CASE NO. _____

To: Control Foreman
Manager Distribution Services
Registration Specialists (Affidavit Coordinator)
Valuation and Separations

Date: _____

This is to advise the disposition of the proposed purchase of following customer-owned facilities:

Customer Name _____
Address _____
City & State _____
Tel. No. _____

_____ Customer will not sell.

_____ Customer will sell, purchase being finalized.
Cutover date _____

_____ Customer will furnish Bill of Sale and collect Sale Tax.

_____ Company will prepare Bill of Sale and pay taxes directly to the state.

Brief description of property to be purchased: _____

In the event of a purchase - please arrange to:

- Prepare a purchase authorization.
- Prepare a Bill of Sale (if applicable).
- Mark Customer line card information.

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AUTHORIZATION OR CANCELLATION OF SUNDRY EXPENSES

FASW-4472 (Rev. 3-87)

Refer to JP56/SWAPS Guide for preparation of this form

Sheet 1 of 1 Date

PAYMENT	<input checked="" type="checkbox"/> Payment-Bill Attached	<input type="checkbox"/> Cancellation	<input type="checkbox"/> Date Rec'd 19	Contra Acct.	Document Error Code
	<input type="checkbox"/> Payment-Bill Not Attached	<input type="checkbox"/> Cash Refund	<input type="checkbox"/> 40	Payee #	<input type="checkbox"/> Enc. Req. <input type="checkbox"/> Overlay Ind.
	<input type="checkbox"/> Wage Payment	<input type="checkbox"/> Adjustment		Addr. Code	

REMIT TO: Name and Complete Address of Payee (Please print or type) NAME <u>Jackson Motel</u> ADDRESS <u>1400 First Avenue</u> ADDRESS _____ CITY <u>Oklahoma City</u> STATE <u>OK</u> ZIP <u>73102</u>	Name and Address of Originator's Supervisor Staff Manager-Valuation 210 N.W. 6th, Room 177 Oklahoma City, Oklahoma 73102
---	---

M M D D Y Y Date Received	Payment ID or Draft No.	M M D D Y Y Payment Date or Due Date	-----\$2,305.00----- Total Payment Amount
------------------------------	-------------------------	---	--

Two Thousand Three Hundred Five and no/100----- Dollars

Correct Title Asst. Staff Mgr.-Valuation Date _____ Authorized Title See Schedule of Authorizations Date _____

Co. Tel. # XXX-XXXX Resp. Code XXXXXXXXXX Authorizing Soc. Sec. No. XXX-XX-XXXX DELEGATED

Invoice Number	Invoice Date (MMDDYY)	Contract/Case No.	Cert. No.	Payment Amount
				\$
				\$
				\$
				\$
				\$

- S A M P L E -
REFER TO APPROPRIATE FUNCTIONAL ACCOUNTING SOURCES FOR INFORMATION

Other Description (Print) Purchase of Inside Wiring Located at the Jackson Motel
Oklahoma City, Oklahoma

(Print) (CSPW Responsible for Handling Transaction) Address _____

Mail to Address (If Other Than Payee's Address) Name _____ Address _____ City _____ State _____ Zip _____

Supply Contract

SALES TAX	Non-Taxable Item (Explain) <input type="checkbox"/>	Transaction Data	Codes	1	2
	Not Billed By Vendor (Explain) <input checked="" type="checkbox"/>	Expenditure Type Code	A	523	
	Vendor Out of State/City Use Tax Applies <input type="checkbox"/>	Amount (Must = Tot. Pay. Amt.)	B	\$ 2,305.00	\$
Billed By	Total Taxable Amount \$ <u>2,305.00</u>	Geographic Location Code	C	RR1010	
Vendor:	Total Taxes \$ _____	Field Reporting Code	D		
Vendor:	County <u>Oklahoma</u>	Memo Acct. Ind./MVTC	E	/	/
Location:	City <u>Oklahoma City</u>	CFC, SPFC, or JFC/Env. Code	F	550803	/
	State <u>Oklahoma</u>	Responsibility Code Charged	G		
Shipped To/Pickup	County _____	Order No. (Est., CWO, KCO)	H	A-3976454	
Location:	City _____	Quantity	J		
	State _____	Motor Veh. No. or Furn. No.	K		
		Action/Repair/Frequency	L	/	/
		Material Code	M		
		Tax Year	N		
		Employee ID (SS#)	P		
		Building Number or Group	R		
		Invoice Code/Crew Number	S	/	/
		Unmeasured Indicator	T		
		Purchase Order No.	U		

LEASE FILE DATA:

Applicable to JP81

Lease ID Number _____ M M D D Y Y SN-1046 DATE

Excludable from JP 81 (Check one):

1. Cancelable 2. Less than one year

3. Other _____

Explanation Purchase authorized 9/26/81 by Keep Cost Order A-3976454.

Vendor will not collect taxes.

Tax must be reported on the State Tax Return.

Retain 10 years, until _____ Official File Copy, unless reproduced Check If Reverse Side Is Coded

NOTE: These are the old accounting codes. Use current accounting codes.

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**AUTHORIZATION OR CANCELLATION
OF SUNDRY EXPENSES**

Refer to JP56/SWAPS Guide
for preparation of this form

Sheet _____ of _____ Date _____

P A Y M E N T	<input type="checkbox"/> Payment-Bill Attached <input type="checkbox"/> Payment-Bill Not Attached <input type="checkbox"/> Wage Payment	<input type="checkbox"/> Cancellation <input type="checkbox"/> Cash Refund <input type="checkbox"/> Adjustment	<input type="checkbox"/> (K) <input type="checkbox"/> (G) <input type="checkbox"/> (X)	Date Rec'd <input type="checkbox"/> 19 <input type="checkbox"/> 40	Voucher Office Use Only																																																																												
					Contra Acct. _____ Payee # _____ Addr. Code _____	Document Error Code _____ <input type="checkbox"/> Enc. Req. <input type="checkbox"/> Overlay Ind.																																																																											
REMIT TO: Name and Complete Address of Payee (Please print or type) NAME _____ ADDRESS _____ ADDRESS _____ CITY _____ STATE _____ ZIP _____						Name and Address of Originator's Supervisor _____ _____																																																																											
M M D D Y Y Date Received		Payment ID or Draft No. _____		M M D D Y Y Payment Date or Due Date		Total Payment Amount _____ Dollars																																																																											
Correct Title _____ Date _____ Authorized Title _____ Date _____ Co. Tel. # _____ Resp. Code Originating _____ Authorizing Soc. Sec. No. _____ <input type="checkbox"/> DELEGATED																																																																																	
Description (To Appear On Voucher Draft)																																																																																	
Invoice Number	Invoice Date (MMDDYY)	Contract/Case No.	Cert. No.	Payment Amount																																																																													
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_____	_____	_____	_____	\$ _____																																																																													
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_____	_____	_____	_____	\$ _____																																																																													
Other Description (Print) _____ _____																																																																																	
(Print) Mail to Address (If Other Than Payee's Address) Name _____ Address _____ Address _____ City _____ State _____ Zip _____				Supply Contract <input type="checkbox"/>																																																																													
SALES TAX Non-Taxable Item (Explain) _____ Not Billed By Vendor (Explain) _____ Vendor Out of State/City Use Tax Applies _____		Billed By Vendor: Total Taxable Amount \$ _____ Total Taxes \$ _____ County _____ Location: City _____ State _____ Shipped To/Pickup County _____ Location: City _____ State _____		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:10%;">Transaction Data</th> <th style="width:10%;">Codes</th> <th style="width:10%;">1</th> <th style="width:10%;">2</th> </tr> <tr><td>Expenditure Type Code</td><td>A</td><td></td><td></td></tr> <tr><td>Amount (Must = Tot. Pay. Amt.)</td><td>B</td><td>\$ _____</td><td>\$ _____</td></tr> <tr><td>Geographic Location Code</td><td>C</td><td></td><td></td></tr> <tr><td>Field Reporting Code</td><td>D</td><td></td><td></td></tr> <tr><td>Memo Acct. Ind./MVTC</td><td>E</td><td></td><td></td></tr> <tr><td>CFC, SPFC, or JFC/Env. Code</td><td>F</td><td></td><td></td></tr> <tr><td>Responsibility Code Charged</td><td>G</td><td></td><td></td></tr> <tr><td>Order No. (Est., CWO, KCO)</td><td>H</td><td></td><td></td></tr> <tr><td>Quantity</td><td>J</td><td></td><td></td></tr> <tr><td>Motor Veh. No. or Furn. No.</td><td>K</td><td></td><td></td></tr> <tr><td>Action/Repair/Frequency</td><td>L</td><td></td><td></td></tr> <tr><td>Material Code</td><td>M</td><td></td><td></td></tr> <tr><td>Tax Year</td><td>N</td><td></td><td></td></tr> <tr><td>Employee ID (SS#)</td><td>P</td><td></td><td></td></tr> <tr><td>Building Number or Group</td><td>R</td><td></td><td></td></tr> <tr><td>Invoice Code/Crew Number</td><td>S</td><td></td><td></td></tr> <tr><td>Unmeasured Indicator</td><td>T</td><td></td><td></td></tr> <tr><td>Purchase Order No.</td><td>U</td><td></td><td></td></tr> </table>		Transaction Data	Codes	1	2	Expenditure Type Code	A			Amount (Must = Tot. Pay. Amt.)	B	\$ _____	\$ _____	Geographic Location Code	C			Field Reporting Code	D			Memo Acct. Ind./MVTC	E			CFC, SPFC, or JFC/Env. Code	F			Responsibility Code Charged	G			Order No. (Est., CWO, KCO)	H			Quantity	J			Motor Veh. No. or Furn. No.	K			Action/Repair/Frequency	L			Material Code	M			Tax Year	N			Employee ID (SS#)	P			Building Number or Group	R			Invoice Code/Crew Number	S			Unmeasured Indicator	T			Purchase Order No.	U		
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Unmeasured Indicator	T																																																																																
Purchase Order No.	U																																																																																
LEASE FILE DATA: <input type="checkbox"/> Applicable to JP81 Lease ID Number _____ M M D D Y Y SN-1048 DATE _____ Excludable from JP 81 (Check one): <input type="checkbox"/> 1. Cancelable <input type="checkbox"/> 2. Less than one year <input type="checkbox"/> 3. Other _____		Explanation _____ _____																																																																															
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td rowspan="6" style="width:20px; text-align:center; vertical-align:middle;">Voucher Office Use Only</td> <td style="width:100px;">Error Code</td> <td></td> </tr> <tr> <td>FA Source Adj. Indicator</td> <td></td> </tr> <tr> <td>Tax Code</td> <td></td> </tr> <tr> <td>Special Rpt. Code 1/Code 2</td> <td></td> </tr> <tr> <td>Schedule 43 Cat./1099 Cat.</td> <td></td> </tr> <tr> <td>Description EXTC 1</td> <td></td> </tr> <tr> <td colspan="2">Description EXTC 2</td> <td></td> </tr> </table>						Voucher Office Use Only	Error Code		FA Source Adj. Indicator		Tax Code		Special Rpt. Code 1/Code 2		Schedule 43 Cat./1099 Cat.		Description EXTC 1		Description EXTC 2																																																														
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	Description EXTC 1																																																																																
Description EXTC 2																																																																																	

Retain 10 years, until _____

Official File Copy, unless reproduced

Check If Reverse Side Is Coded

PROPRIETARY

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TRANSMITTAL

To: Valuation and Separations Location _____

The attached documents conclude the purchase of inside wire and/or cable and/or equipment for Case Number _____

Customer/Vendor Name _____

Address _____

City & State _____

Please close this transaction in accordance with Joint Practice 46, Part 4B.

Documents Attached

- ___ - Bill of Sale
- ___ - Warranty of Title
- ___ - Building Owner's Release Form
- ___ - Contract
- ___ - Other (Please describe) _____

Signed _____
(CSPW)

Tel. No. _____

Date _____

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT W

REQUEST FOR INVENTORY

City, _____, 1984

Southwestern Bell Telephone Company
Manager - DSE (DESIGN)_____
__________, Telephone # _____ has
requested a purchase price for the existing inside wiring and outside plant
facilities at this premises.Please conduct a record/physical inventory of the premises and forward the
results to our office within five (5) working days to comply with current
Guidelines for the Sale of Customer Premises Wiring. Please coordinate your
inventory with I/M to help avoid duplication.

The following information is required for plant to be sold:

1. List Outside Plant by type, size, length, account code, and year placed.
2. List terminals by type, size, account code, and E/W _ _ _.
3. Furnish a marked copy of the S x S or MPLR showing plant to be sold and/or withheld from sale.

Questions concerning this matter may be referred to me at _____.

Name _____
Customer Service Supervisor
Coordinator-Sales & Purchase Wire
Central Operations Group
Address _____

PROPRIETARY

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Telephone Company except under written agreement.

REQUEST FOR INVENTORY

City _____, 1984

Southwestern Bell Telephone Company

_____, Telephone # _____ has requested a purchase price for the existing inside wiring and outside plant facilities at this premises.

Please conduct a records/physical inventory of the premises and report the results on the attached Exhibit E form. The inventory should be forwarded to our office within five (5) working days to comply with current Guidelines for the Sale of Customer Premises Wiring.

If any outside plant facilities are noted during the inventory, please coordinate with the appropriate Outside Plant Engineer in order that duplication is avoided.

Please furnish the following information on the Exhibit E form:

1. Number of stations (Key and Non-Key).
2. Inventory of all distribution wiring and cables, which can be sold, by type and length.
(Connectorized cables must be counted by type and length each.)
3. Other distribution plant items such as backboards, connecting blocks, etc., should be listed by type and quantity.
4. Physical condition of the plant to be sold.
5. Estimated installation hours for only the plant to be sold.
6. If applicable, purchaser's requirements after cutover for the plant to be sold (i.e., cutover will be to Horizon with all met sets, so customer's requirement would be 4 pair cables.)

Questions concerning this matter may be referred to me at _____.

Name _____
Customer Service Supervisor
Coordinator - Sales & Purchaser Wire
Central Operations Group
Address _____

PROPRIETARY

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PROPERTY TAX WORKSHEET

Tax Rates:

ARKANSAS:	0.008529
KANSAS:	0.024244
MISSOURI:	0.012462
OKLAHOMA:	0.012134
TEXAS:	0.009627

To compute the Ad Valorem Tax, multiply the sale price by the tax rate by the number of two-week periods remaining in the year.

Example:

$$\text{SALE PRICE} \times \text{TAX RATE} \times \frac{?}{26} \text{ (No. of two-week periods remaining in the year)}$$

Example:

Sale price of \$20,000 in Kansas on 7-1-84.

$$\$20,000 \times .024244 \times \frac{13}{26} = \$242.44$$

*Tax Rates are subject to change. Check state's current tax requirements.

PROPRIETARY

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