

CornerStone Telephone Company, LLC

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SECTION 9 – SPECIAL ARRANGEMENTS

9.1 Special Construction (cont'd)

9.1.3 Termination Liability (cont'd)

9.1.3.2 The amount of the maximum termination liability is equal to the estimated amounts (including return) for:

1. Costs to install the facilities to be provided including estimated costs for the rearrangements of existing facilities. These costs include:
 - a) equipment and materials provided or used;
 - b) engineering, labor, and supervision;
 - c) transportation; and
 - d) rights of way and/or any required easements;
2. License preparation, processing, and related fees;
3. Tariff preparation, processing and related fees;
4. Cost of removal and restoration, where appropriate; and
5. Any other identifiable costs related to the specially constructed or rearranged facilities.

9.1.3.3 The termination liability method for calculating the unpaid balance of a term obligation is obtained by multiplying the sum of the amounts determined as set forth in Section 9.1.3.2 preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in Section 9.1.3.2 preceding shall be adjusted to reflect the predetermined estimated net salvage, including any reuse of the facilities provided. This amount shall be adjusted to reflect applicable taxes.

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Issued by:

Scott Gilbert
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