

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

A. Long Distance Competitive Response

1. Residence Customer Incentive Program

a. General Description

The Residence Customer Incentive Program is an offering for potential new residence long distance customers and to existing residence long distance customers to induce the retention or continuation of intrastate long distance services by such customers.

b. Terms and Conditions

- (1) This competitive response offering may be offered to potential new Qwest residence long distance customers. In addition, the Company may provide a retention benefit to any existing residence customer who has retained a service for some period of time.
- (2) For potential new residence customers, the Company will not provide an incentive offer more than once in any two year period. In retention situations, the Company may provide an incentive offer no more than once in any two year period with respect to any particular service.
- (3) The recipients of the customer incentive offer and the amount of the customer incentive offer will be at the sole discretion of the Company, but the value of the retention benefit may not exceed the sum of c.1., following.
- (4) The Company will determine the particular details, including but not limited to; periods and duration, class of customers, services and amounts so long as each offer to a particular residence customer is not inconsistent with the provisions of this Rate Schedule and the amount does not exceed the maximum amount set forth in c.1., following. The Company may prohibit use of this program in conjunction with another offer being marketed by the Company and/or a Company affiliate.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

A. Long Distance Competitive Response

1. Residence Customer Incentive Program

b. Terms and Conditions (Cont'd)

- (5) This competitive response offering is provisioned in conjunction with the interstate competitive response offering under which Qwest provides interstate long distance usage. All other terms and conditions, including any applicable discounts offered through the Qwest Rates and Services Schedule (RSS), and customer eligibility under this offer are specified in the Qwest Rates and Services Schedule.
- (6) For potential new residence customers, the Company will condition some of its offers upon a residence customer remaining with the Company for a minimum of one year. Any minimum period of time shall be identified to the customer as part of the offer. In such cases, if the customer terminates service early, they will be billed an early termination charge.
- (7) Offers may differ based on the following criteria or combinations of criteria below:
 - (a) sales channel through which the products are sold.
 - (b) Existing customers who request to have one or more products disconnected.
 - (c) Customers who identify better competitive offer(s) available to them. Qwest representatives may present to these customers multiple offers up to the maximum value under this Rate Schedule.
 - (d) Such other facts, criteria, and circumstances as the Company believes is a reasonable basis upon which to distinguish among groups of customers.
- (8) The Company shall use reasonable business efforts so that similarly situated customers are offered similar incentives in similar circumstances.
- (9) The Company reserves the right to review the availability and conditions of the offer or to discontinue the offer.

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A. Long Distance Competitive Response

1. Residence Customer Incentive Program (Cont'd)

c. Rates and Charges

- (1) Customers may be offered one of the following on selected products, or the equivalent monetary value, as determined by the Company.
 - (a) A waiver of an amount up to 100% of the current residence recurring charge(s), and the current per-minute intrastate long distance rate or,
 - (b) A waiver of up to 12 months of the recurring rates or,
 - (c) A waiver of an amount up to 100% of the current per-minute intrastate long distance rate or,
 - (d) A benefit or consideration offered or provided that is not associated with a service or product offered by the Company such as merchandise, discounts on merchandise offer by others, gift certificates, gift cards or otherwise at the discretion of the Company. The actual cost incurred by the Company will be used in determining the value of non-cash offers or benefits, not to exceed the sum of c.1.a., above.
- (2) The waiver(s) will appear in the form of a credit(s) on the customer's bill. The waiver may be one-time or spread over a period of up to 12 months in a fashion determined by the Company.
- (3) Waiver amounts are calculated on the first month's monthly rate(s). The total waived amount will not exceed the value of the total per-minute charge(s) plus twelve months of the monthly rates.
- (4) An early termination charge not to exceed \$50.00 per-line may be charged to customers who terminate their service prior to the completion of their initial term.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

A. Long Distance Competitive Response (Cont'd)

2. Business Customer Incentive Program

a. General Description

The Business Customer Incentive Program is an offering for potential new business long distance customers and to existing business long distance customers to induce the retention or continuation of intrastate long distance services by such customers.

b. Terms and Conditions

- (1) This competitive response offering may be offered to potential new Qwest business long distance customers. In addition, the Company may provide a retention benefit to any existing business customer who has retained a service for some period of time.
- (2) For potential new business customers, the Company will not provide an incentive offer more than once in any two year period. In retention situations, the Company may provide an incentive offer no more than once in any two year period with respect to any particular service.
- (3) The recipients of the customer incentive offer and the amount of the customer incentive offer will be at the sole discretion of the Company, but the value of the retention benefit may not exceed the sum of c.1., following.
- (4) The Company will determine the particular details, including but not limited to; periods and duration, class of customers, services and amounts so long as each offer to a particular business customer is not inconsistent with the provisions of this Rate Schedule and the amount does not exceed the maximum amount set forth in c.1., following. The Company may prohibit use of this program in conjunction with another offer being marketed by the Company and/or a Company affiliate.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

A. Long Distance Competitive Response
2. Business Customer Incentive Program
b. Terms and Conditions (Cont'd)

- (5) This competitive response offering is provisioned in conjunction with the interstate competitive response offering under which Qwest provides interstate long distance usage. All other terms and conditions, including any applicable discounts offered through the Qwest Rates and Services Schedule (RSS), and customer eligibility under this offer are specified in the Qwest Rates and Services Schedule.
- (6) For potential new business customers, the Company will condition some of its offers upon a business customer remaining with the Company for a minimum of one year. Any minimum period of time shall be identified to the customer as part of the offer. In such cases, if the customer terminates service early, they will be billed an early termination charge.
- (7) Offers may differ based on the following criteria or combinations of criteria below:
 - (a) The sales channel through which the products are sold.
 - (b) Existing customers who request to have one or more products disconnected.
 - (c) Customers who identify better competitive offer(s) available to them. Qwest representatives may present to these customers multiple offers up to the maximum value under this Rate Schedule.
 - (d) Such other facts, criteria, and circumstances as the Company believes is a reasonable basis upon which to distinguish among groups of customers.
- (8) The Company shall use reasonable business efforts so that similarly situated customers are offered similar incentives in similar circumstances.
- (9) The Company reserves the right to review the availability and conditions of the offer or to discontinue the offer.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

A. Long Distance Competitive Response

2. Business Customer Incentive Program (Cont'd)

c. Rates and Charges

- (1) Customers may be offered one of the following on selected products, or the equivalent monetary value, as determined by the Company.
 - (a) A waiver of an amount up to 100% of the current business recurring charge(s), and the current per-minute intrastate long distance rate or,
 - (b) A waiver of up to 12 months of the recurring rates or,
 - (c) A waiver of an amount up to 100% of the current per-minute intrastate long distance rate or,
 - (d) A benefit or consideration offered or provided that is not associated with a service or product offered by the Company such as merchandise, discounts on merchandise offer by others, gift certificates, gift cards or otherwise at the discretion of the Company. The actual cost incurred by the Company will be used in determining the value of non-cash offers or benefits, not to exceed the sum of c.1.a., above.
- (2) The waiver(s) will appear in the form of a credit(s) on the customer's bill. The waiver may be one-time or spread over a period of up to 12 months in a fashion determined by the Company.
- (3) Waiver amounts are calculated on the first month's monthly rate(s). The total waived amount will not exceed the value of the total per-minute charge(s) plus twelve months of the monthly rates.
- (4) An early termination charge not to exceed \$100.00 per-line may be charged to customers who terminate their service prior to the completion of their initial term.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

B. Discount Programs

1. Hearing or Speech Impaired Persons Discount

Unless otherwise specified, a rate reduction will apply on all calls within the state, originating from a certified hearing or speech impaired customer's residential line. The rate reduction will be the application of a 40% discount over the established long distance rates in effect.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

B. Discount Programs (Cont'd)

2. Competitive Discount Program

a. Description

The Competitive Discount Program is an offering for potential new business customers and to existing business customers to induce the acquisition or continuation of intrastate long-distance voice and data services by such customers. The program is available to these customers under a term agreement.

b. Terms and Conditions

- (1) This program may be offered in situations where the Company believes the customer has or could receive an offer from another telecommunications service provider. The Company may require the Customer to demonstrate to the Company's reasonable satisfaction that the Customer intends to accept the offer or remain subscribed to the other telecommunications service provider.
- (2) The recipients of this Discount Program and the amount of the incentive offer will be at the sole discretion of the Company.
- (3) The Company will determine the particular details, including but not limited to: periods and duration, class of customers, services and amounts. The Company may approve or prohibit use of this Competitive Discount Program in conjunction with another offer being marketed by the Company and/or a Company affiliate at the Company's discretion.
- (4) This Competitive Discount Program is provisioned in conjunction with the interstate Competitive Discount Program under which Qwest provides interstate long-distance voice and data services. All other terms and conditions, including any applicable discounts offered through the Qwest Rates and Services Schedule (RSS), and customer eligibility under this offer are specified in the Qwest RSS.
- (5) Offers may differ for customers who identify different competitive offer(s) available to them.
- (6) The terms of this Competitive Discount Program may be made available to similarly situated customers on a nondiscriminatory basis.
- (7) The Company reserves the right to discontinue this offer.

5. CUSTOMER INCENTIVE AND DISCOUNT PROGRAMS

B. Discount Programs

2. Competitive Discount Program (Cont'd)

c. Rates and Charges

- (1) The Company may offer a discount off the customer's monthly recurring intrastate long-distance voice and data service charges with a term agreement.
- (2) The Company may waive all or a portion of non recurring intrastate long-distance voice and data service charges with a term agreement.
- (3) This discount will be applied against intrastate long distance voice and data services and is applicable for the entire term of the customer's agreement unless otherwise specified.
- (4) Customers receiving the benefits of this offer may also receive benefits of other promotional offerings offered by the Company and/or a Company affiliate.