



**LIGHTYEAR SMARTSTREAM PRODUCT DEFINITIONS
(ON-NET SERVICES)**

Lightyear SmartStream
• Bundled Solutions

Product Development Department

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Bundled Solutions

Product Bundle Description:

The Lightyear SmartStream bundles are comprised of six key components; Internet, Local Loop, Dedicated LD Voice, email, Web Hosting and equipment. The Internet, equipment, Dedicated LD and Loop components are required for the bundle. Email and Web Hosting are included but do not have to be utilized by the customer to receive the bundled pricing. Below is a brief description of the components and overall Bundled Packages.

Internet – Customers will have the ability to select from three Internet speeds for the bundle based on their specific needs. Available Guaranteed Rate Options: 256k, 512k, and 768k. Customers may burst 2 times their selected Guaranteed Rate Option. See Lightyear SmartNet Product Definitions for detailed specifications.

Dedicated LD Voice – Customers will benefit from a reduced dedicated LD rate \$.049 cents per minute. The bundle will also include a bucket of included minutes. This rate and bucket of 2000 included minutes applies to Interstate, Intrastate, InterLata and Interlata calling. These rates do not apply to Offshore, International or directory assistance calling.

Local Loop – The Loop charge is distance and market sensitive. This charge will vary based on customer location. In most cases we will be able to take advantage of the discounted Loop rates from WorldCom and Williams. Other Providers can be used in special circumstances.

email – This service is a value-add with 20 included mailboxes based on customers' Internet Service Plans. See Lightyear SmartMail Product Definitions for detailed product specifications.

Web Hosting – Similar to email, standard of 20MB of web space provided with 1GB of transfer per month. See Lightyear SmartWeb product Definitions for detailed product specifications.

Maintenance – The maintenance component is comprised of 24x7 network monitoring from the Lightyear Technology Center. Lightyear is responsible for maintaining proper working functionality of the Integrated Access Device to the point of Demarcation.

Equipment – Sometimes referred to as Lightyear Provided Equipment (LPE). Lightyear will deliver, install and support an Integrated Access Device (IAD) at the customer premise. Proposed models are the AN-24, AN-28, and AN-30 which come in digital and analog versions. Some models not currently available.

Table 1: Integrated Access Bundle Options

Below are the three primary bundled offerings for Lightyear SmartStream.

Product Bundles	Product Pricing	Internet Options	Burst Capability	Dedicated LD Rate	Free LD Minutes Included	E-Mail Accts. Included	Web Hosting Space Included
Lightyear SmartStream 256+	\$500-\$700	256k	Up to 512k	4.9 cents per min.	2000	20	20 MB
Lightyear SmartStream 512+	\$600-\$800	512k	Up to 1024k	4.9 cents per min.	2000	20	20 MB
Lightyear SmartStream 768+	\$700-\$900	768k	Up to capacity	4.9 cents per min.	2000	20	20 MB

Specifications:

- Lightyear SmartStream Bundles are the bundled solution offering for on-net. Customers must have at least 2 lines of LD service otherwise must provide their own Lightyear approved CPE. See “Restrictions” for further details.
- Service will be provided via Lightyear's ATM backbone (“edge network”) architecture via Lightyear POPs in the following cities:

ANAHEIM	ATLANTA	BALTIMORE	BOSTON	CHICAGO	CINCINNATI
CLEVELAND	DALLAS	DENVER	DETROIT	HOUSTON	HERNDON (DC)
INDIANAPOLIS	JACKSONVILLE	KANSAS CITY	KING of PRUSSIA (DC)	LEXINGTON	LOUISVILLE
MIAMI	NEWARK	NEW YORK	PHOENIX	ST. LOUIS	SAN DIEGO
SAN FRANCISCO	SEATTLE				

- Line coding: B8ZS
- Framing: ESF
- Signaling: Loop Start, E&M: Wink, Immediate, Seizure
- SCR = 256k, 512k, 768k (a.k.a. Guaranteed Rate)
- Burst = PCR = 2 x SCR (up to port capacity)
- Compression will be available based on the following criteria:
 - Compression will not be used if the customer has less than 17 LD lines
 - For 17 LD lines or more AAL2 compression will be turned on for all voice channels
 - Compression will be at 32K - ADPCM
- The maximum LD lines that will be available will be 24 with a Digital connection
- The maximum LD lines that will be available will be 12 with an Analog connection
- Additional Bandwidth created will be used for data services.
- Refer to individual product components of bundle for additional specification

Features:

- IP addresses: Up to 8 (6 usable) IP addresses, justification needed for more
- Primary and Secondary DNS (for up to 4 domains).
- Managed Services including Network Operations Center 24x7 monitoring, provisioning of local-loops and internal systems, visibility and management of IAD
- Flat Rate MRC.
- Local loops to customer premise will be leased through established RBOC, CLEC, and CAP relationships.
- Customer Local Loop Format: DS-1

Restrictions:

- Subscription based Internet Service Providers are not eligible to take advantage of this standardized service for business.
- Customer must authorize Lightyear to order and provide as part of service all local loops that facilitate the service. Under no circumstance may a customer order the local loop portion of the service.
- Monitoring and Management of customer's equipment (IAD) is contingent upon visibility of said equipment, and is only available when Lightyear provides the equipment (IAD).
- Lightyear SmartNet services will be provided as part of the Lightyear SmartStream bundle as well as a standalone service (non-IAD). When only IP service is required by the customer, Lightyear will not provision an IAD at the customer premises unless there are predetermined customer conditions as approved by Product Support (877-IDS-TEAM) along with consultation with Network Services. The following are examples of customers that fall outside of the Lightyear SmartStream product line at this time and need to look at a standalone non-IAD based or off-net solution:
 - Customers wishing data connectivity between all their sites but some of their locations are in off-net city locations.
 - Customers with at least 6 months remaining in their contract with Lightyear for services.

- Customers who intend to have an integrated solution, but are currently under contract for their voice services and will convert these services to Lightyear within 6 months from their service installation date.
- Customers who are waiting for an equipment upgrade to their PBX, which will occur within 6 months of their service installation date.
- Customers who have no router or CSU/DSU at their site and are building out their network with our equipment as the central component with documented plans to integrate other services on our network within a 6 month time frame.
- Customers who currently have multiple sites with bundled (IAD) solutions and are adding or plan to integrate these sites and multiple services across their network within 6 months from their service installation date.
- For customers who currently/or have plans to connect PBX's within their network together within 6 months from their service installation date. (TIE line scenarios)

Financial:

- Flat Rate MRC & NRC
- Loop pricing based on contracted rates with carriers
- Term/Volume Plans: Tables found in E-Forms
- Install waived with 2 year agreement or longer
- Lightyear maintains ownership of the IAD

Standard Service Pricing:

- Review Table 1
 - Pricing is driven by term of contract, PBX configuration and number of voice lines.
 - E-forms must be utilized for all pricing and product ordering
- Promotional Pricing: *Millennium Madness*:**
- 3000 additional LD minutes added to bundles for 1 year terms contracts
 - 8000 additional LD minutes added to bundles for 2 year term or longer contracts
 - NRC (All Bandwidths): \$1000, waived on 2 year term
 - Runs from 1/15/01 to 5/1/01

Service Options & Pricing:

- Additional email can be purchased for \$3 per box (MRC) on an individual basis or in an additional block of 20 for \$60. See Lightyear SmartMail section for details.
- USENET Newsreader Service: Optional at an additional \$25 per month (No setup fee)

Discounting Authority:

Discounting Authority levels will lie with Finance and Product Development. Any discounting will require supervisor approval and proper documentation. The following table represents a matrix of the suggested discounting parameters.

Table 2: MRC Term & Volume Discounts

Monthly Recurring Revenue	1-Year	2-Year	3-Year	4-Year	5-Year
\$ 0 to \$1,499	+ 15%	0%	3%	5%	8%
\$1,500 to \$2,999	+ 13%	3%	5%	7%	10%
\$3,000 to \$4,499	+ 10%	5%	7%	9%	12%
\$5,000 to \$9,999	+ 7%	7%	9%	11%	14%
\$10,000 and up	+ 5%	10%	12%	14%	17%

End User Termination Liability:

For customer termination without cause, the following procedures will be followed. The customer will be charged back for any charges waived as a result of signing a term contract. An additional shortfall charge of \$3500 will be applied to their account. This charge is to be prorated based on the term of contract that has been fulfilled. There is a sixty-day window to cancel with no penalty.

Bandwidth/Feature Option Changes:

There are no charges to customer for increasing or decreasing Internet Service Level for the first two changes per calendar year - \$100 per request, thereafter. This is in addition to the Increase/Reduction in service charges of the MRC for that specific product bundle. For example, if a customer with 256k Internet decides to move to a 512k base there is no charge. These are changes made from our NOC requiring minimal time. Additional charges can apply if the requested service level change initiated requires additional Design, Loop, or LEC charges. Charges then would be reflected as standard pass through charges.

Technology Clause Option:

Lightyear Communications will attempt to provide the customer with the latest telecommunications technology and allow customers to migrate to a newer technology service offering without a discontinuance of service penalty so long as the customer remains with Lightyear Communications and subsequently signs a new term/volume plan is equal to or greater than its replacement.

Service Level Agreement Option:

Lightyear Communications will provide Lightyear SmartStream customers with a Service Level Guarantee (SLG) for 99.9% Network Availability. This SLA will cover POP to POP or On-Net connectivity in the first six months of operation with possible expansion to include local loops by the end of twelve months. Network Availability is calculated as the total of all minutes in a billing period where service is available to the customer, then divided by the total number of billing minutes in that billing month and multiplied by 100. SLA terms are currently under development. See Lightyear SmartStream Terms and Conditions for additional details.

Expedite Orders:

Ordered can be expedited for an additional on-time fee of \$1000 per order. Time of expedite varies by carrier and complexity of order.