

WINDSTREAM SOUTHWEST LONG DISTANCE, LP

Form S-4

November 14, 2006

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As filed with the Securities and Exchange Commission on November 14, 2006

Registration No. 333-

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM S-4**  
**REGISTRATION STATEMENT**

*UNDER*

*THE SECURITIES ACT OF 1933*

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**Windstream Corporation**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**4813**  
(Primary Standard  
Industrial Code Number)  
**4001 Rodney Parham Road**

**20-0792300**  
(I.R.S. Employer  
Identification No.)

**Little Rock, Arkansas 72212-2442**

**(501) 748-7000**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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**SEE TABLE OF ADDITIONAL REGISTRANTS**

**John P. Fletcher, Esq.**

**Executive Vice President and General Counsel**

**Windstream Corporation**

**4001 Rodney Parham Road**

**Little Rock, Arkansas 72212-2442**

**Tel. (501) 748-7000**

**Fax (501) 748-7400**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

---

*Copies to:*

**Daniel L. Heard, Esq.**

**Kutak Rock LLP**

**124 West Capitol Ave. Suite 2000**

**Little Rock, Arkansas 72201**

**Tel. (501) 975-3000**

**Fax (501) 975-3001**

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

**CALCULATION OF REGISTRATION FEE**

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<b>Title of each class of securities to be registered</b>	<b>Amount to be registered</b>	<b>Proposed maximum offering price per unit</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee</b>
8.125% Senior Notes due 2013	\$800,000,000	100%(1)	\$800,000,000(1)	\$85,600
8.625% Senior Notes due 2016	\$1,746,000,000	100%(1)	\$1,746,000,000(1)	\$186,822
Guarantees	(2)	(2)	(2)	(2)
<b>Total</b>	<b>\$2,546,000,000</b>	<b>100%</b>	<b>\$2,546,000,000</b>	<b>\$272,422</b>

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(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f).

(2)

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No separate consideration will be received for the guarantees of the notes being registered. In accordance with Rule 457(n), no registration fee is payable with respect to the guarantees.

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**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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## TABLE OF ADDITIONAL REGISTRANTS

Name*	State or Other	I.R.S. Employer	Principal Executive Office
	Jurisdiction of		
	Incorporation	Identification	
	or Organization	Number	
Windstream Holding Of The Midwest, Inc.	Nebraska	47-0632436	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Network Services Of The Midwest, Inc.	Nebraska	91-1772936	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Yellow Pages, Inc.	Ohio	34-1458335	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Listing Management, Inc.	Pennsylvania	25-1737524	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Supply, Inc.	Ohio	31-4359937	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Teleview, Inc.	Georgia	58-2033040	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Alabama, Inc.	Alabama	63-0364952	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Arkansas, Inc.	Arkansas	71-0400407	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000

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Windstream Oklahoma, Inc.	Arkansas	71-0406211	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Oklahoma Windstream, Inc.	Oklahoma	73-0630965	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream South Carolina, Inc.	South Carolina	57-0140680	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Sugar Land, Inc.	Texas	74-0672235	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Texas Windstream, Inc.	Texas	75-0984391	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Southwest Enhanced Network Services, LP	Delaware	75-2885419	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000

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Name*	State or Other	I.R.S. Employer	Principal Executive Office
	Jurisdiction of Incorporation or Organization	Identification Number	
Valor Telecommunications Corporate Group, LP	Texas	75-2895493	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications Enterprises Finance Corp.	Delaware	20-2280110	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications Enterprises, LLC	Delaware	75-2884398	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications Enterprises II, LLC	Delaware	75-2950064	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications Equipment, LP	Texas	75-2884400	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications Investments, LLC	Delaware	47-0902124	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Southwest Long Distance, L.P. f/k/a Valor Telecommunications LD, LP	Delaware	75-2884847	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications, LLC	Delaware	52-2171586	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Valor Telecommunications of Texas, LP d/b/a Windstream Communications Southwest	Delaware	52-2194219	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000

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Valor Telecommunications Services, LP	Texas	75-2884846	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Valor Telecommunications Southwest, LLC	Delaware	52-2194218	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Valor Telecommunications Southwest II, LLC	Delaware	75-2950066	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Windstream Kerrville Long Distance, L.P. f/k/a Advanced Tel-Com Systems, L.P.	Texas	74-2228603	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Kerrville Cellular Holdings, LLC	Delaware	51-0411889	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Kerrville Cellular, L.P.	Texas	74-2513782	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212  (501) 748-7000

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Name*	State or Other	I.R.S. Employer	Principal Executive Office
	Jurisdiction of Incorporation or Organization		
Kerrville Cellular Management, LLC	Delaware	51-0411886	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Kerrville Communications Corporation	Delaware	74-2197091	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Kerrville Communications Enterprises, LLC	Delaware	32-0047694	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Kerrville Communications Management, LLC	Delaware	30-0135974	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Kerrville Mobile Holdings, Inc.	Texas	74-3008924	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Windstream Communications Kerrville, L.P. f/k/a Kerrville Telephone L.P.	Texas	74-0724580	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Kerrville Wireless Holdings Limited Partnership	Texas	74-3012850	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Western Access Services, LLC	Delaware	20-0081823	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
Western Access Services Of Arizona, LLC	Delaware	20-0081863	4001 Rodney Parham Road Little Rock, Arkansas 72212



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Western Access Services Of Arkansas, LLC	Delaware	20-0081902	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Western Access Services Of Colorado, LLC	Delaware	20-0081934	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Western Access Services Of New Mexico, LLC	Delaware	20-0081922	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Western Access Services Of Oklahoma, LLC	Delaware	20-0081944	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Western Access Services Of Texas, L.P.	Delaware	20-0081952	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212
Windstream Communications Telecom, L.P. f/k/a KCC TelCom, L.P.	Texas	74-2955898	(501) 748-7000 4001 Rodney Parham Road  Little Rock, Arkansas 72212  (501) 748-7000

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	<b>Name*</b>	<b>State or Other</b>		<b>Principal Executive Office</b>
		<b>Jurisdiction of Incorporation or Organization</b>	<b>I.R.S. Employer Identification Number</b>	
DCS Holding Co.		Delaware	13-4124239	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
ECS Holding Co.		Delaware	13-4128471	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
KCS Holding Co.		Delaware	13-4124243	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
SCD Sharing Partnership, L.P.		Delaware	13-4128273	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000
SCE Sharing Partnership, L.P.		Delaware	13-4128272	4001 Rodney Parham Road Little Rock, Arkansas 72212 (501) 748-7000

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\* The name, address, including zip code, and telephone number, including area code, of the agent for service for each additional registrant is John P. Fletcher, Esq., Executive Vice President and General Counsel, 4001 Rodney Parham Road, Little Rock, Arkansas 72212-2442, (501) 748-7000.

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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**Subject to completion, dated November 14, 2006**

**PROSPECTUS**

**WINDSTREAM CORPORATION**

**Offer to Exchange All Outstanding**

**8.125% Senior Notes due 2013 (\$800,000,000 principal amount outstanding)**

**for**

**8.125% Senior Notes due 2013**

**which have been registered under the Securities Act**

**and**

**8.625% Senior Notes due 2016 (\$1,746,000,000 principal amount outstanding)**

**for**

**8.625% Senior Notes due 2016**

**which have been registered under the Securities Act**

Windstream Corporation, or the issuer, hereby offers, on the terms and subject to the conditions detailed in this prospectus and the accompanying letter of transmittal, to exchange new 8.125% Senior Notes due 2013 (which we refer to as the New 2013 Notes), for the issuer's currently outstanding 8.125% Senior Notes due 2013 (which we refer to as the 2013 Notes). The issuer is also offering to exchange new 8.625% Senior Notes due 2016 (which we refer to as the New 2016 Notes), for the issuer's currently outstanding 8.625% Senior Notes due 2016 (which we refer to as the 2016 Notes). The New 2013 Notes and the New 2016 Notes are collectively referred to as the new notes and the 2013 Notes and the 2016 Notes are collectively referred to as the old notes.

**The Exchange Offer**

The exchange offer will expire at 5:00 p.m., New York City time, on [•], 2006, unless extended.

All old notes that are validly tendered and not validly withdrawn will be exchanged.

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Tenders of old notes may be withdrawn any time prior to 5:00 p.m., New York City time, on the date of expiration of the exchange offer.

The exchange of notes will not be a taxable exchange for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

### **The New Notes**

The terms of the new notes to be issued are identical in all material respects to the outstanding old notes, except that the new notes have been registered under the Securities Act of 1933, as amended (the Securities Act ) and will not have any of the transfer restrictions and additional interest provisions relating to the old notes. The new notes will represent the same debt as the old notes and we will issue the new notes under the same indenture.

The notes will be our general unsecured unsubordinated obligations. Accordingly, they will rank: (i) equally with all of our existing and future unsecured unsubordinated debt; (ii) effectively subordinated to our existing and future secured debt to the extent of the assets securing such debt, including all borrowings under our existing credit facilities; (iii) senior in right of payment to any of our future subordinated debt; and (iv) structurally subordinated to all of the liabilities of our nonguarantor subsidiaries, including trade payables.

The guarantees will be general unsecured, unsubordinated obligations of the guarantors. Accordingly, they will rank (i) equally with all of the guarantors existing and future unsecured unsubordinated debt; (ii) effectively subordinated to the guarantors existing and future secured debt to the extent of the assets securing such debt, including the guarantees by the guarantors of obligations under our credit facilities; and (iii) senior in right of payment to any of the guarantors future subordinated debt.

No public market exists for the old notes or the new notes. We do not intend to apply for listing of the new notes on any securities exchange or to arrange for them to be quoted on any quotation system.

See **Risk Factors** beginning on page 13 for a discussion of matters that participants in the exchange offer should consider.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is November [•], 2006

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**This prospectus incorporates important business and financial information about Windstream that is not included in or delivered with this prospectus. We will provide this information to you at no charge upon written or oral request directed to: Investor Relations, Attention: Mary Michaels, Windstream Corporation, 4001 Rodney Parham Road, Little Rock, Arkansas 72212-2442, (501) 748-7000. In order to ensure timely delivery of the information, any request should be made no later than five business days before the expiration date of the exchange offer.**

Each broker-dealer that receives new notes for its own account pursuant to the exchange offers must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such new notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed to furnish to each broker-dealer, without charge, as many copies of this prospectus as such broker-dealer may reasonably request. See Plan of Distribution.

We have not authorized any person to give you any information or to make any representations about the exchange offer other than those contained in this prospectus. If you are given any information or representations that are not discussed in this prospectus, you must not rely on that information or those representations. This prospectus is not an offer to sell or a solicitation of an offer to buy any securities other than the securities to which it relates. In addition, this prospectus is not an offer to sell or the solicitation of an offer to buy those securities in any jurisdiction in which the offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make an offer or solicitation. The delivery of this prospectus and any exchange made under this prospectus do not, under any circumstances, mean that there has not been any change in the affairs of Windstream or its subsidiaries since the date of this prospectus or that information contained in this prospectus is correct as of any time subsequent to its date.

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**SPECIAL NOTE CONCERNING FORWARD-LOOKING STATEMENTS**

This prospectus, including information included or incorporated by reference herein contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions and are not guarantees of future events and results. Words such as expects, anticipates, intends, plans, believes, seeks, estimates, and should, and variations of these words and similar expressions, are intended to identify these forward-looking statements. Windstream disclaims any obligation to update or revise any forward-looking statement based on the occurrence of future events, the receipt of new information, or otherwise.

Actual future events and results may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Representative examples of these factors include (without limitation):

adverse changes in economic conditions in the markets served by Windstream;

the extent, timing, and overall effects of competition in the communications business;

the risk of continued access line loss;

the impact of new, emerging or competing technologies;

the risks associated with the integration of acquired businesses or the ability to realize anticipated synergies, cost savings and growth opportunities;

the availability and cost of financing in the corporate debt markets;

the potential for adverse changes in the ratings given to Windstream's debt securities by nationally accredited ratings organizations;

the effects of federal and state legislation, rules, and regulations governing the communications industry;

adoption of intercarrier compensation and/or universal service reform proposal by FCC or Congress that results in a significant loss of revenue for Windstream;

risks of rebranding to Windstream;

an adverse development regarding the tax treatment of the spin-off from Alltel Corporation ( Alltel ) on July 17, 2006 and the restrictions on certain financing and other activities imposed by the tax sharing agreement with Alltel;

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material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and relationships with wholesale customers;

unexpected results of litigation;

the effects of work stoppages;

the impact of equipment failure, natural disasters, or terrorist acts; and

those additional factors listed under the heading Risk Factors.

In addition to these factors, actual future performance, outcomes and results may differ materially because of more general factors including (without limitation) general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. See also Where You Can Find Additional Information on page [•].

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**SUMMARY**

*This summary highlights information contained elsewhere or incorporated by reference in this prospectus and does not contain all the information you should consider before tendering old notes in the exchange offer. You should carefully read the entire prospectus, including the documents incorporated in it by reference. This prospectus and the letter of transmittal that accompanies it collectively constitute the exchange offer.*

**Our Company**

Windstream Corporation was formed on July 17, 2006 as a result of the spin-off by Alltel Corporation ( Alltel ) of Alltel Holding Corp. ( Spinco ), a subsidiary of Alltel into which Alltel contributed its wireline telecommunications business, and the subsequent merger of Spinco with and into Valor Communications Group, Inc. ( Valor ). Valor survived the merger as a stand-alone company holding and conducting the combined business operations of Valor and Spinco. In the merger, Valor issued approximately 403 million shares of its common stock to Alltel stockholders, which resulted in Alltel s stockholders owning approximately 85% of the outstanding equity interests of the surviving corporation and the stockholders of Valor owning the remaining 15% of such equity interests. Valor changed its name to Windstream Corporation ( Windstream ) immediately following completion of the merger. As a result of the transactions consummated in connection with the spin-off and merger, Windstream incurred approximately \$5.5 billion in consolidated debt. The spin-off and merger are collectively referred to as the Transactions throughout this prospectus. References in this prospectus to Windstream, we or us refer to Windstream Corporation and its subsidiaries after the date of the merger and to Valor and Spinco prior to the date of the merger. The information in this prospectus relating to Spinco is presented as if Spinco held Alltel s wireline telecommunications business prior to closing of the spin-off and the merger for all periods and dates presented.

Windstream and its subsidiaries provide local telephone, long-distance, Internet and high-speed data services. As of September 30, 2006, we had approximately 3,287,553 million access lines and 603,114 broadband customers in 16 states. Like many Rural Local Exchange Carriers ( RLECs ) our business has been characterized by stable operating results, revenue and cash flow and a favorable regulatory environment. Because our customer base is located in areas that are generally less densely populated than areas served by other non-rural telephone companies, we believe that we are more insulated from competitive pressures. After giving pro forma effect to the Transactions, we generated \$2,472.2 in revenues and sales and \$313.6 in net income before extraordinary item for the nine months ended September 30, 2006.

Our business consists of two principal segments: our Wireline operations and our Other Operations. We generate the majority of our revenues and sales from our Wireline operations, which primarily include our Incumbent Local Exchange Carrier ( ILEC ) business, our Competitive Local Exchange Carrier ( CLEC ) business, our Internet services business, and our long-distance business, which, as of September 30, 2006, offers both residential and business long-distance services to approximately 2,006,899 customers, including toll-free, calling card services, dedicated access, conference calling and bill management. Our Other Operations include our directories publishing business, which coordinates advertising, sales, printing and distribution for 381 telephone directory contracts in 36 states, and our Product Distribution operations, which supply equipment to affiliated and non-affiliated communications companies, business systems suppliers, governments and retail and industrial companies.

Our common stock is listed on the New York Stock Exchange under the symbol WIN. Our principal executive offices are located at 4001 Rodney Parham Road, Little Rock, Arkansas 72212-2442, and our telephone number is (501) 748-7000.



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### **Our Competitive Strengths**

*Leading Rural Telecommunications Carrier.* We believe that we are a leading wireline telephone company and the largest RLEC in the United States. As of September 30, 2006, we had approximately 3,287,553 million access lines in 16 states. We have a strong position in the markets we serve as we believe that rural markets are generally less competitive than urban markets, particularly as it relates to fixed-line voice competition. This lower level of competition is due in part to the low customer density of rural markets. We believe that our strong local presence in the markets we serve also helps solidify our position.

*Upgraded Network Infrastructure with Broad Geographic Footprint.* We have improved and expanded our network infrastructure, which has allowed us to provide additional services to our customers, improve the overall network's quality and enhance our broadband services. We believe that the significant scale and broad geographic footprint of our network provides us with advantages over smaller rural wireline operators that are not as well-capitalized and, therefore, may find it more difficult to compete in their markets.

*Broad Integrated Product and Service Offerings.* We believe that we are the only telecommunications service provider in many of the markets we serve that has the ability to provide an integrated package of voice, data and video services and products. For residential customers, we offer local voice service, long distance, enhanced calling features and broadband, with download speeds of up to 6Mbps. For our business customers, we offer a variety of business voice and data services that include special circuits, customer premise equipment, virtual private networks, web hosting and development, dedicated internet, and frame relay services. We believe that offering these integrated packages allows us to increase revenue per access line and improve customer retention.

*Ability to Generate Strong Cash Flow.* We have generated consistently strong cash flows due to relatively stable demand for our services, a supportive regulatory environment and limited competition for telecommunications services in the rural parts of the United States. We continue to focus on reducing expenses and we expect our cash flows to continue to benefit from our cost reduction efforts.

*Experienced and Proven Management Team.* On average, our senior management team has over 15 years of experience in the telecommunications industry. Many members of our management team also most recently served in senior management roles at Alltel and Valor. Jeffery R. Gardner, our chief executive officer, most recently served as chief financial officer for Alltel, and has over twenty years of experience in the telecommunications industry.

*Experience in Successfully Completing and Integrating Acquisitions.* Since 1999, Alltel's wireline business has acquired approximately 950,000 access lines through three acquisitions. In each instance, Alltel was able to make operational improvements to lower costs and increase margins. We believe that our management team's experience with these recent transactions will help us with the integration of the Valor and Spincor operations as well as with the integration of potential future acquisitions.

### **Our Strategy**

*Maintain Focus on Generating Strong Cash Flow.* Our wireline business has consistently generated strong cash flows and maintained industry leading margins. We plan to continue to aggressively manage expenses and employ a disciplined approach to capital expenditures as well as focus on ways to improve our operating efficiency.

*Expand Broadband Footprint and Service Offerings.* We intend to concentrate on broadband as a core component around which other products and services can evolve. We will continue to focus on increasing the number of broadband-capable access lines. By the end of 2006, we expect our broadband services to be available

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to approximately 80% of our total access lines. We also plan to expand and improve our broadband services by offering higher speed connections. In addition, we will monitor industry developments in video broadband services to potentially incorporate these developments into our product offerings. We believe that maintaining our focus on broadband will help us retain our customer base, grow average revenue per access line and allow us to remain a leader in the markets in which we operate.

*Increase Penetration of Higher Margin Bundled Services.* We believe that our ability to offer a wide array of integrated products and services will enable us to maximize revenue and margins. We intend to capitalize on our ability to cross-sell additional features per line and higher margin enhanced voice and data services as bundled packages, which we believe represents a significant opportunity for us to continue our trend of increasing revenue per access line as well as strengthen customer relationships and improve customer retention.

*Implement a Dedicated Wireline Sales and Marketing Strategy.* As a stand-alone wireline company, Windstream will be able to devote more resources than Alltel could to wireline-specific marketing. We believe Windstream will be able to leverage the successful sales and marketing practices that Valor previously employed. We believe that developing a marketing and sales strategy focused on wireline services will reinforce our position as a leader in our markets.

*Consider Select Partnerships for Strategic Product Offerings.* We recently expanded our DISH Network satellite television services to all of our markets. As we strive to provide our customers with a diverse range of telecommunications products and services, we will consider entering into similar select partnerships for wireless services and other services which we do not directly provide through our own network.

*Pursue Select Strategic Acquisitions.* In addition to expanding our product offerings, we may grow our business through select strategic acquisitions of other RLECs where our scale, management expertise and financial strength can deliver incremental returns such as that experienced during Alltel's earlier acquisitions of Verizon's Kentucky access lines, Aliant Communications and Standard Telephone Company. We adhere to selective criteria in our acquisition analysis, but we believe that there will continue to be opportunities to acquire telecommunications assets at attractive valuations that will meet or exceed our investment criteria. In addition to acquisitions, we will also consider dispositions of non-core assets.

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**The Exchange Offer**

On July 17, 2006, we privately placed \$800,000,000 aggregate principal amount of 2013 Notes in a transaction exempt from registration under the Securities Act. On July 17, 2006, we privately placed in a transaction exempt from registration under the Securities Act \$1,746,000,000 of 2016 Notes on behalf of certain selling note holders. In connection with the private placements, we entered into a registration rights agreements, dated as of July 17, 2006, with the initial purchasers of the old notes. In the registration rights agreement, we agreed to offer to exchange old notes for new notes registered under the Securities Act. We also agreed to deliver this prospectus to the holders of the old notes. In this prospectus the old notes and the new notes are referred to together as the notes. You should read the discussion under the heading Description of the Notes for information regarding the notes.

**The Exchange Offer**

This is an offer to exchange (1) \$1,000 in principal amount of New 2013 Notes for each \$1,000 in principal amount of outstanding 2013 Notes, and (2) \$1,000 in principal amount of New 2016 Notes for each \$1,000 in principal amount of outstanding 2016 Notes. The new notes are substantially identical to the old notes, except that:

the new notes will be freely transferable, other than as described in this prospectus;

holders of the new notes will not be entitled to the rights of the holders of the old notes under the registration rights agreement; and

the new notes will not contain any provisions regarding the payment of additional interest for failure to satisfy obligations under the registration rights agreement.

We believe that you can transfer the new notes without complying with the registration and prospectus delivery provisions of the Securities Act if you:

are not an affiliate of the Company within the meaning of Rule 405 under the Securities Act,

are not a broker-dealer tendering old notes acquired directly from Windstream for your own account,

acquired the old notes in the ordinary course of your business, and

have no arrangements or understandings with any person to participate in this exchange offer for the purpose of distributing the old notes and have made representations to Windstream to that effect.

If any of these conditions are not satisfied and you transfer any new notes without delivering a proper prospectus or without qualifying for a registration exemption, you may incur liability under the Securities Act.

**Registration Rights**

We have agreed to use our commercially reasonable efforts to consummate the exchange offer or cause the old notes to be registered



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under the Securities Act to permit resales. If we are not in compliance with our obligations under the registration rights agreement, then additional interest (in addition to the interest otherwise due on the notes that are the subject of that registration agreement or the new notes) will accrue on such notes or new notes upon such occurrence. If the exchange offer is completed on the terms and within the time period contemplated by this prospectus, no additional interest will be payable on the notes.

**No Minimum Condition**

The exchange offer is not conditioned on any minimum aggregate principal amount of old notes being tendered for exchange.

**Expiration Date**

The exchange offer will expire at 5:00 p.m., New York City time, on [•], 2006, unless it is extended.

**Exchange Date**

Old notes will be accepted for exchange beginning on the first business day following the expiration date, upon surrender of the old notes.

**Conditions to the Exchange Offer**

Our obligation to complete the exchange offer is subject to limited conditions. See The Exchange Offer Conditions to the Exchange Offer. We reserve the right to terminate or amend the exchange offer at any time before the expiration date if various specified events occur.

**Withdrawal Rights**

You may withdraw the tender of your old notes at any time before the expiration date. Any old notes not accepted for any reason will be returned to you without expense as promptly as practicable after the expiration or termination of the exchange offer.

**Appraisal Rights**

Holders of old notes do not have any rights of appraisal for their notes if they elect not to tender their notes for exchange.

**Procedures for Tendering Old notes**

See The Exchange Offer How to Tender.

**Material United States Federal Income Tax Considerations**

The exchange of old notes for new notes by U.S. holders should not be a taxable exchange for U.S. federal income tax purposes, and U.S. holders will not recognize any taxable gain or loss as a result of the exchange. See Material United States Federal Income Tax Considerations.

**Effect on Holders of Old notes**

If the exchange offer is completed on the terms and within the period contemplated by this prospectus, holders of old notes will have no further registration or other rights under the registration rights agreement, subject only to limited exceptions applicable to persons to whom the exchange offer is not available. **Holders of old notes who do not tender their old notes will continue to hold those old notes which will remain outstanding and continue to accrue interest, but such holders will not have any further rights under the**

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**registration rights agreement. All untendered, and tendered but unaccepted, old notes will continue to be subject to the restrictions on transfer provided for in the old notes and the respective indenture under which the old notes have been, and the new notes are being, issued.** To the extent that old notes are tendered and accepted in the exchange offer, the trading market, if any, for any remaining old notes could be adversely affected. See The Exchange Offer Other.

**Use of Proceeds**

We will not receive any proceeds from the issuance of the new notes in the exchange offer.

**Exchange Agent**

U.S. Bank National Association is serving as exchange agent in connection with the exchange offer.

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**The Notes**

The new notes are substantially identical to the old notes, except that the new notes have been registered under the Securities Act and will not have any of the transfer restrictions and additional interest provisions relating to the old notes. The new notes will evidence the same debt as the old notes, be guaranteed by specified subsidiaries of Windstream and be entitled to the benefits of the indenture.

**Issuer** Windstream Corporation

**Notes Offered** \$800,000,000 aggregate principal of New 2013 Notes in exchange for \$800,000,000 aggregate principal amount of outstanding 2013 Notes; and \$1,746,000,000 aggregate principal amount of New 2016 Notes in exchange for \$1,746,000,000 aggregate principal amount of outstanding 2016 Notes.

**Maturity** For the New 2013 Notes: August 1, 2013.  
For the New 2016 Notes: August 1, 2016.

**Interest Payment Dates** Interest on the New 2013 notes will be paid on February 1 and August 1, beginning on February 1, 2007.  
Interest on the New 2016 notes will be paid on February 1 and August 1, beginning on February 1, 2007.

**Guarantees** Each of our domestic subsidiaries that guarantee our existing credit facilities will guarantee the new notes on a senior, unsecured basis. Future domestic subsidiaries that guarantee our existing credit facilities will also be required to guarantee the new notes.

**Ranking** The notes will be our general unsecured unsubordinated obligations. Accordingly, they will rank:

equally with all of our existing and future unsecured unsubordinated debt;

effectively subordinated to our existing and future secured debt to the extent of the assets securing such debt, including all borrowings under our credit facilities;

senior in right of payment to any of our future subordinated debt; and

structurally subordinated to all of the liabilities of our non-guarantor subsidiaries, including trade payables.

The guarantees will be general unsecured, unsubordinated obligations of the guarantors. Accordingly, they will rank:

equally with all of the guarantors existing and future unsecured unsubordinated debt;



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effectively subordinated to the guarantors' existing and future secured debt to the extent of the assets securing such debt, including the guarantees by the guarantors of obligations under our credit facilities;

senior in right of payment to any of the guarantors' future subordinated debt.

as of September 30, 2006 and for the nine months then ended, our non-guarantor subsidiaries represented approximately 74% of our revenue, 83% of our operating income, and 59% of our assets.

**Optional Redemption**

We may redeem some or all of the New 2016 Notes on or after August 1, 2011 at the redemption prices described in this prospectus, plus accrued and unpaid interest.

We may redeem some or all of the New 2013 Notes, at any time before maturity, at a redemption price equal to 100% of their principal amount, plus a make-whole premium and accrued and unpaid interest.

**Equity Offering & Optional Redemption**

Before August 1, 2009, we may redeem up to 35% of the aggregate principal amount of the 2013 Notes and the New 2013 Notes with the net cash proceeds of certain equity offerings at 108.125% of the principal amount of the 2013 Notes and the New 2013 Notes, plus accrued and unpaid interest, if at least 65% of the aggregate principal amount of the 2013 Notes and the New 2013 Notes originally issued outstanding after such redemption.

**Change of Control**

If we experience specific kinds of changes in control, we must offer to purchase the notes at 101% of their face amount, plus accrued and unpaid interest.

**Covenants**

The indenture governing the notes, among other things, limits our ability and the ability of our restricted subsidiaries to:

borrow money or sell preferred stock;

create liens;

pay dividends on or redeem or repurchase stock;

make certain types of investments;

sell stock in our restricted subsidiaries;

restrict dividends or other payments from subsidiaries;

enter into transactions with affiliates;

issue guarantees of debt; and

sell assets or merge with other companies.

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These covenants contain important exceptions, limitations and qualifications. At any time that the notes of a series are rated investments grade, certain covenants will be terminated with respect to the notes of that series. For more details, see Description of Notes.

**Absence of a Public Market for the Notes**

The new notes are new issues of securities for which there is currently no established trading market. We do not intend to apply for listing of any of the new notes on any securities exchange or for quotation through any annotated quotation system and a trading market for the new notes may not develop.

**Risk Factors**

Before tendering old notes, holders should carefully consider all of the information set forth and incorporated by reference in this prospectus and, in particular, should evaluate the specific risk factors set forth under the section entitled Risk Factors.

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**SELECTED HISTORICAL FINANCIAL DATA OF WINDSTREAM**

Windstream was formed on July 17, 2006 as a result of the spin-off by Alltel of its wholly-owned subsidiary, Spinco, and the subsequent merger of Spinco with and into Valor. Spinco was formed on November 2, 2005 to receive Alltel's wireline telecommunications business (the Wireline Division) in contemplation of the spin-off and merger. At such time, the Wireline Division was not a separate stand-alone legal entity and was comprised of certain wholly-owned subsidiaries and other component operations of Alltel. On July 17, 2006, Alltel completed the contribution of the Wireline Division to Spinco in exchange for all of the common stock of Spinco, and then merged Spinco with and into Valor, with Valor as the surviving corporation and changing its name to Windstream Corporation. The accounting substance of the merger is such that Spinco has been determined to be the accounting acquirer. Accordingly, in this prospectus, and in all future Windstream Exchange Act filings, the historical financial statements of Windstream for the periods prior to the completion of the merger have become those of Spinco and have replaced those of Valor. The historical financial information in this prospectus is presented as if Windstream held the Wireline Division prior to closing of the spin-off and the merger for all periods and dates presented. Valor's businesses are included in Windstream's financial statements only for periods subsequent to the completion of the merger.

The following selected historical financial information of Windstream for each of the fiscal years ended December 31, 2005, 2004, 2003, 2002 and 2001 has been derived from the financial statements of Alltel Holding Corp., principally representing Alltel's historical wireline and communications support segments, which, other than the year ended 2001, were audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. The selected financial data of Windstream presented below at September 30, 2006 and 2005, and for the nine month periods then ended was derived from Spinco's unaudited financial statements included in its Quarterly Report on Form 10-Q for the period ended September 30, 2006. Historical financial information includes, in management's opinion, all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the results of operations and financial position of Windstream for the periods and dates presented. This information is only a summary and should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations of Spinco and the financial statements and notes thereto of Spinco included in Windstream's proxy statement/prospectus-information statement filed on May 26, 2006 and Windstream's Quarterly Report on Form 10-Q for the period ended September 30, 2006.

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(Dollars in millions, except per share data)	Nine Months Ended						
	September 30,		2005	Year Ended December 31,			2001 (Unaudited)
	2006 (Unaudited)	2005 (Unaudited)		2004	2003	2002	
<b>Revenues and sales</b>	2,205.7	2,178.0	2,923.5	2,933.5	3,003.3	2,835.7	2,607.8
Operating expenses	1,244.0	1,339.3	1,779.8	1,745.6	1,827.8	1,740.1	1,573.6
Depreciation and amortization expense	325.6	368.4	474.2	508.5	519.4	469.8	425.1
Restructuring and other charges	22.9	4.7	35.7	11.8	12.2	37.9	18.7
Total costs and expenses	1,592.5	1,712.4	2,289.7	2,265.9	2,359.4	2,247.8	2,017.4
<b>Operating income</b>	613.2	465.6	633.8	667.6	643.9	587.9	590.4
Other income (expense), net	3.7	12.0	11.6	13.7	5.8	2.0	(1.1)
Intercompany interest income (expense), net	31.9	10.9	23.3	(15.2)	(21.6)	(26.8)	(19.3)
Interest expense	(99.8)	(13.6)	(19.1)	(20.4)	(27.7)	(39.6)	(44.2)
Loss on extinguishment of debt	(7.9)						
Gain (loss) on disposal of assets and other					23.9		(2.9)
Income before income taxes	541.1	474.9	649.6	645.7	624.3	523.5	522.9
Income taxes	213.2	185.2	267.9	259.4	247.1	202.5	201.8
Income before extraordinary item and cumulative effect of accounting change	327.9	289.7	381.7	386.3	377.2	321.0	321.1
Extraordinary item, net of tax	99.7						
Cumulative effect of accounting change, net of tax			(7.4)		15.6		16.9
<b>Net income</b>	427.6	289.7	374.3	386.3	392.8	321.0	338.0
Basic Shares	422.4	402.9	402.9	402.9	402.9	402.9	402.9
Diluted Shares	422.5	402.9	402.9	402.9	402.9	402.9	402.9
<b>Earnings per Share</b>							
Basic:							
Income before extraordinary item and cumulative effect of accounting change	.78	.72	.95	.96	.93	.80	.80
Extraordinary item	.23						
Cumulative effect of accounting change			(.02)		.04		.04
Net income	1.01	.72	.93	.96	.97	.80	.84
Diluted:							
Income before extraordinary item and cumulative effect of accounting change	.78	.72	.95	.96	.93	.80	.80
Extraordinary item	.23						
Cumulative effect of accounting change			(.02)		.04		.04
Net income	1.01	.72	.93	.96	.97	.80	.84
<b>Balance sheet data:</b>							
Total assets	8,161.8	4,917.5	4,929.7	5,079.2	5,276.9	5,519.8	3,833.6
Total equity	602.8	3,255.6	3,489.2	3,706.8	3,925.6	4,039.0	2,362.7
Total long-term debt (including current maturities)	5,498.6	281.9	260.8	282.9	304.8	587.3	625.9
<b>Cash flows provided by (used in):</b>							
Operating activities	868.4	735.1	953.9	962.2	1,135.0	822.4	N/A
Investing activities	(170.8)	(240.5)	(352.7)	(329.7)	(356.9)	(2,164.3)	N/A
Financing activities	(336.5)	(499.3)	(602.4)	(627.1)	(784.2)	1,340.1	N/A
<b>Statistical Data (at year-end):</b>							
Wireline access lines	3,287,553	2,919,862	2,885,673	3,009,388	3,095,635	3,167,275	2,612,325
Long-distance customers	2,006,899	1,757,069	1,750,762	1,770,852	1,680,181	1,542,210	1,265,710
Broadband (DSL) customers	603,114	359,975	397,696	243,325	153,028	70,182	26,816
Capital expenditures	244.1	237.4	352.9	333.3	383.2	405.0	N/A
<b>Ratio of earnings to fixed charges:</b>	6.30	27.21	28.27	27.00	20.55	12.79	11.48



**Table of Contents****SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

The summary below sets forth selected unaudited historical pro forma financial data for Windstream after giving effect to the Transactions for the period indicated. The following table should be read together with the consolidated financial statements and accompanying notes of Spinco and Valor included in the documents described under [Where You Can Find Additional Information](#). The pro forma amounts in the table below are presented for illustrative purposes only and do not indicate what the financial position or the results of operations of Windstream would have been had the Transactions occurred as of the date or for the period presented. The pro forma amounts also do not indicate what the financial position or future results of operations of Windstream will be. No adjustment has been included in the pro forma amounts for any anticipated cost savings or other synergies. See [Unaudited Pro Forma Combined Condensed Financial Information](#) on page 90.

	<b>For the Nine Months Ended September 30, 2006</b>	<b>For the Year Ended December 31, 2005</b>
<b>(Dollars in millions, except per share data)</b>		
Revenue and sales	\$ 2,472.2	\$ 3,413.5
Depreciation and Amortization	\$ 394.5	\$ 608.1
Operating income	\$ 841.8	\$ 1,056.9
Income before income taxes	\$ 515.3	\$ 596.7
Income taxes	\$ 201.7	\$ 242.5
Income before extraordinary item and cumulative effect of accounting change	\$ 313.6	\$ 354.2
Basic earnings per share	\$ 0.66	\$ 0.75
Diluted earnings per share	\$ 0.66	\$ 0.75
Weighted average common shares outstanding:		
Basic	473.9	473.8
Diluted	473.9	473.8

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**RISK FACTORS**

*Before tendering old notes, prospective participants in the exchange offer should consider carefully the following risks. These risks set forth important information that may cause our actual results in future periods to differ materially from those currently expected or discussed in forward-looking statements contained or incorporated by reference in this prospectus relating to our financial results, operations and business prospects. The new notes, like the old notes, entail the following risks:*

**Risks Relating to Windstream's Business**

*We face intense competition in our businesses from many sources that could reduce our market share or adversely affect our financial performance.*

Substantial and increasing competition exists in the wireline communications industry. Our incumbent local exchange carrier (ILEC) operations have experienced, and will continue to experience, competition in their local service areas. Sources of competition to our local service business include, but are not limited to, wireless communications providers, resellers of local exchange services, interexchange carriers, satellite transmission service providers, cable television companies, competitive access service providers, including, without limitation, those utilizing Unbundled Network Elements- Platform or UNE-P, and voice-over-Internet-protocol, or VoIP, and providers using other emerging technologies.

Competition could adversely impact us in several ways, including (1) the loss of customers and market share, (2) the possibility of customers reducing their usage of our services or shifting to less profitable services, (3) our need to lower prices or increase marketing expenses to remain competitive and (4) our inability to diversify by successfully offering new products or services.

*Competition from wireless carriers is likely to continue to cause access line losses which could adversely affect our operating results and financial performance.*

Competition, mainly from wireless and broadband substitution, has caused in recent years a reduction in the number of Windstream and our predecessors' access lines and generally has caused pricing pressure in the industry. As wireless carriers continue to expand and improve their network coverage while lowering their prices, some customers choose to stop using traditional wireline phone service and instead rely solely on wireless service. We anticipate that this trend toward solely using wireless services will continue, particularly if wireless service rates continue to decline and the quality of wireless services improves. Many wireless carriers are substantially larger than we are and will have greater financial resources and superior brand recognition than we have. In the future, it is expected that the number of access lines served by us will continue to be adversely affected by wireless and broadband substitution and that industry-wide pricing pressure will continue. We may not be able to compete successfully with these wireless carriers.

*We may not be able to compete successfully with cable operators which are subject to less stringent industry regulations.*

Cable television companies deploying a cable modem service represent our principal competitors for broadband Internet access. Broadband offerings by cable television companies are mostly unregulated by state public service commissions who regulate us and are not subject to tariffs, therefore providing such companies much greater pricing flexibility. In contrast, our broadband DSL offering is federally regulated and is required to comply with federal tariffs.

We also face competition from cable television companies providing voice service offerings. Voice offerings of cable operators are offered mainly under Competitive Local Exchange Carrier certificates obtained in states where they offer services and therefore are subject to fewer service quality or service reporting



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requirements. In addition, the rates or prices of the voice service offerings of cable companies are not subject to regulation. In contrast, our voice service rates or prices, in our capacity as an Incumbent Local Exchange Carrier, are subject to regulation by various state public service commissions and, unlike cable operators, are also subject to carrier of last resort obligations which generally obligates us to provide basic voice services to any person regardless of the profitability of such customer. We may not be able to compete successfully with cable companies in either the offering of broadband or voice services.

***We may not be able to compete successfully against companies offering integrated communication services.***

Through mergers, joint ventures and various service expansion strategies, providers of competing communications services are increasingly able to provide integrated services in many of the markets that we serve. If we are unable to offer integrated service offerings, we may not be able to compete successfully against competitors that offer more integrated service packages. During the fourth quarter of 2005, Spinco began offering DISH Network satellite television service to its residential customers as part of a bundled service offering. We expect to continue the relationship with DISH Network and to offer additional bundled services such as DSL, Internet access, long distance and second lines with our basic voice service to create more appealing product offerings at more attractive prices to our customers. However, it may be difficult for us to provide customers a single, clear invoice and integrated customer care for bundled services. We may not be able to successfully provide bundled service offerings to our customers and we may not be able to compete successfully against competitors offering such services.

***We could be harmed by rapid changes in technology.***

The communications industry is experiencing significant technological changes, particularly in the areas of VoIP, data transmission and wireless communications. Rapid technological developments in cellular telephone, personal communications services, digital microwave, satellite, broadband radio services, local multipoint distribution services, meshed wireless fidelity, or WiFi, and other wireless technologies could result in the development of products or services that compete with or displace those offered by traditional local exchange carriers ( LECs ). For example, we may be unable to retain existing customers who decide to replace their wireline telephone service with wireless telephone service. In addition, the development and deployment of cable and broadband technology will result in additional local telephone line losses for us if customers choose VoIP for their local telephone service. Additional access line loss will also likely occur as customers shift from dial-up data services, which are often on a second phone line, to high-speed data services. Furthermore, the proliferation of replacement technologies impacting our wireline business could require us to make significant additional capital investment in order to compete with other service providers that may enjoy network advantages that will enable them to provide services more efficiently or at a lower cost. Alternatively, we may not be able to obtain timely access to new technology on satisfactory terms or incorporate new technology into our systems in a cost effective manner, or at all. If we cannot develop new services and products to keep pace with technological advances, or if such services and products are not widely embraced by our customers, our results of operations could be adversely impacted.

***We provide services to our customers over access lines, and if we continue to lose access lines like our predecessors did historically, our revenues, earnings and cash flow from operations could be adversely affected.***

Our business generates revenue by delivering voice and data services over access lines. Our predecessors each experienced net access line loss over the past few years, and during the year ended December 31, 2005, the number of access lines they served collectively declined by 4 percent due to a number of factors, including increased competition and wireless and broadband substitution. We expect to continue to experience net access line loss in our markets for an unforeseen period of time. Our inability to retain access lines could adversely affect our revenues, earnings and cash flow from operations.

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*We are subject to various forms of regulation from the Federal Communications Commission ( FCC ) and the regulatory commissions in the 16 states in which we operate which limits our pricing flexibility for regulated voice and broadband DSL products, subjects us to service quality, service reporting and other obligations, and exposes us to the reduction of revenue from changes to the universal service fund or the intercarrier compensation system.*

As a provider of wireline communication services, we have been granted operating authority by each of the 16 states in which we conduct ILEC and CLEC operations, and we are subject to various forms of regulation from the regulatory commissions in each of these 16 states as well as from the FCC. State regulatory commissions have primary jurisdiction over local and intrastate services including to some extent the rates that we charge customers, including, without limitation, other telecommunications companies, and service quality standards. The FCC has primary jurisdiction over interstate services including the rates that we charge other telecommunications companies that use our network and other issues related to interstate service. These regulations restrict our ability to adjust rates to reflect market conditions and impact our ability to compete and respond to changing industry conditions.

Future revenues, costs, and capital investment in our wireline business could be adversely affected by material changes to these regulations, including, but not limited to, changes in inter-carrier compensation, state and federal Universal Service Fund ( USF ) support, UNE and UNE-P pricing and requirements, and VoIP regulation. Federal and state communications laws may be amended in the future, and other laws may affect our business. In addition, certain laws and regulations applicable to us and our competitors may be, and have been, challenged in the courts and could be changed at any time. We cannot predict future developments or changes to the regulatory environment, or the impact such developments or changes would have.

In addition, these regulations could create significant compliance costs for us. Delays in obtaining certifications and regulatory approvals could cause us to incur substantial legal and administrative expenses, and conditions imposed in connection with such approvals could adversely affect the rates that we are able to charge our customers. Our business also may be impacted by legislation and regulation imposing new or greater obligations related to assisting law enforcement, bolstering homeland security, minimizing environmental impacts, or addressing other issues that impact our business. For example, existing provisions of the Communications Assistance for Law Enforcement Act require communications carriers to ensure that their equipment, facilities, and services are able to facilitate authorized electronic surveillance. Our compliance costs will increase if future legislation, regulations or orders continue to increase our obligations.

*In 2005, Spincos and Valor, our predecessors, received 5.8% and 22.8% of their respective revenues from state and federal Universal Service Funds, and any adverse regulatory developments with respect to these funds could adversely affect our profitability.*

We receive state and federal USF revenues to support the high cost of providing affordable telecommunications services in rural markets. Such support payments constituted 5.8% and 22.8% of Spincos and Valor's revenues, respectively, for the year ended December 31, 2005. A portion of such fees are based on relative cost structures, and we expect receipt of such fees to decline as we continue to reduce costs. Pending regulatory proceedings could, depending on the outcome, materially reduce our USF revenues.

We will be required to make contributions to state and federal USFs each year. Current state and federal regulations allow us to recover these contributions by including a surcharge on our customers' bills. If state and/or federal regulations change, and we become ineligible to receive support, such support is reduced, or we become unable to recover the amounts we contribute to the state and federal USFs from our customers, our earnings and cash flow from operations would be directly and adversely affected.

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*In connection with changing our name to Windstream Corporation, we have launched a rebranding campaign that involves substantial capital and other costs and may not receive a favorable reception from customers.*

Prior to the merger of Valor and Spinco, our products and services were marketed using the Valor and Alltel brand names and logos. Immediately following the merger, Valor changed its name to Windstream Corporation and is in the process of discontinuing use of the Alltel and Valor names for a brief transitional period. We have incurred and will continue to incur substantial capital and other costs associated with launching and marketing our new brand. We also may not be able to achieve or maintain comparable name recognition or status under our new brand, which could adversely affect our ability to attract and retain customers, resulting in reduced revenues.

*We may be affected by significant restrictions with respect to certain actions that could jeopardize the tax-free status of our July 17, 2006 merger and spin-off.*

The July 17, 2006 merger agreement restricts us from taking certain actions that could cause the spin-off to be taxable to Alltel under Section 355(e) or otherwise jeopardize the tax-free status of the spin-off or the merger (which the merger agreement refers to as disqualifying actions ), including:

generally, for two years after the spin-off, taking, or permitting any of our subsidiaries to take, an action that might be a disqualifying action without receiving the prior consent of Alltel;

for two years after the spin-off, entering into any agreement, understanding or arrangement or engaging in any substantial negotiations with respect to any transaction involving the acquisition of our stock or the issuance of shares of our stock, or options to acquire or other rights in respect of such stock, in excess of a permitted basket of 71,130,989 shares (as adjusted for stock splits, stock dividends, recapitalizations, reclassifications and similar transactions), unless, generally, the shares are issued to qualifying employees or retirement plans, each in accordance with safe harbors under regulations issued by the IRS;

for two years after the spin-off, repurchasing our shares, except to the extent consistent with guidance issued by the IRS;

for two years after the spin-off, permitting certain wholly-owned subsidiaries that were wholly-owned subsidiaries of Spinco at the time of the spin-off to cease the active conduct of the Spinco business to the extent so conducted by those subsidiaries immediately prior to the spin-off; and

for two years after the spin-off, voluntarily dissolving, liquidating, merging or consolidating with any other person, unless (1) we are the survivor of the merger or consolidation or (2) prior to undertaking such action, we receive the prior consent of Alltel.

Nevertheless, we will be permitted to take any of the actions described above in the event that the IRS has granted a favorable ruling to Alltel or us as to the effect of such action on the tax-free status of the merger and spin-off transactions. To the extent that the tax-free status of the transactions is lost because of a disqualifying action taken by us or any of our subsidiaries after the distribution date (except to the extent that Alltel has delivered a previous determination to us permitting such action), we generally will be required to indemnify, defend and hold harmless Alltel and its subsidiaries (or any successor to any of them) from and against any and all resulting tax-related losses incurred by Alltel.

Because of these restrictions, we may be limited in the amount of stock that we can issue to make acquisitions or raise additional capital in the two years subsequent to the spin-off and merger. Also, our indemnity obligation to Alltel might discourage, delay or prevent a change of control during this two-year period that our stockholders may consider favorable.

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### ***Disruption in our networks and infrastructure may cause us to lose customers and incur additional expenses.***

To be successful, we will need to continue to provide our customers with reliable service over our networks. Some of the risks to our networks and infrastructure include: physical damage to access lines, breaches of security, capacity limitations, power surges or outages, software defects and disruptions beyond our control, such as natural disasters and acts of terrorism.

From time to time in the ordinary course of business, we will experience short disruptions in our service due to factors such as cable damage, inclement weather and service failures of our third party service providers. We could experience more significant disruptions in the future. Disruptions may cause interruptions in service or reduced capacity for customers, either of which could cause us to lose customers and incur expenses, and thereby adversely affect our business, revenue and cash flow.

### ***Weak economic conditions may decrease demand for our services.***

We are sensitive to economic conditions and downturns in the economy. Downturns in the economies and vendor concentration in the markets we serve could cause our existing customers to reduce their purchases of our basic and enhanced services and make it difficult for us to obtain new customers.

## **Risks Relating to the Notes and the Exchange Offer**

### ***You may not be able to sell your old notes if you do not exchange them for new notes in the exchange offer.***

If you do not exchange your old notes for new notes in the exchange offer, your old notes will continue to be subject to the restrictions on transfer as stated in the legend on the old notes. In general, you may not reoffer, resell or otherwise transfer the old notes in the United States unless they are:

registered under the Securities Act;

offered or sold under an exemption from the Securities Act and applicable state securities laws; or

offered or sold in a transaction not subject to the Securities Act and applicable state securities laws.

We do not currently anticipate that we will register the old notes under the Securities Act.

### ***Holders of the old notes who do not tender their old notes will have no further registration rights under the registration rights agreement.***

Holders who do not tender their old notes, except for limited instances involving the initial purchaser or holders of old notes who are not eligible to participate in the exchange offer or who do not receive freely transferable new notes in the exchange offer, will not have any further registration rights under the registration rights agreement or otherwise and will not have rights to receive additional interest.

### ***The market for old notes may be significantly more limited after the exchange offer and you may not be able to sell your old notes after the exchange offer.***

If old notes are tendered and accepted for exchange under the exchange offer, the trading market for old notes that remain outstanding may be significantly more limited. As a result, the liquidity of the old notes not tendered for exchange could be adversely affected. The extent of the market for old notes and the availability of price quotations would depend upon a number of factors, including the number of holders of old notes remaining outstanding and the interest of securities firms in maintaining a market in the old notes. An issue of securities

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with a similar outstanding market value available for trading, which is called the float, may command a lower price than would be comparable to an issue of securities with a greater float. As a result, the market price for old notes that are not exchanged in the exchange offer may be affected adversely as old notes exchanged in the exchange offer reduce the float. The reduced float also may make the trading price of the old notes that are not exchanged more volatile.

***Your old notes will not be accepted for exchange if you fail to follow the exchange offer procedures and, as a result, your old notes will continue to be subject to existing transfer restrictions and you may not be able to sell your old notes.***

We will not accept your old notes for exchange if you do not follow the exchange offer procedures. We will issue new notes as part of the exchange offer only after a timely receipt of your old notes, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, if you want to tender your old notes, please allow sufficient time to ensure timely delivery. If we do not receive your old notes, letter of transmittal and other required documents by the expiration date of the exchange offer, we will not accept your old notes for exchange. We are under no duty to give notification of defects or irregularities with respect to the tenders of old notes for exchange. If there are defects or irregularities with respect to your tender of old notes, we will not accept your old notes for exchange.

***There is no established trading market for the new notes.***

The new notes will constitute a new issue of securities with no established trading market. A trading market for the new notes may not develop. If a market does develop, it may not provide you the ability to sell your new notes. Further, you may not be able to sell your new notes at a favorable price or at all. If a market does develop, the new notes could trade at prices that may be higher or lower than their principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and our financial performance.

***Windstream's substantial debt could adversely affect its cash flow and prevent it from fulfilling its obligations under the notes.***

As of September 30, 2006, we had approximately \$5,498.6 million consolidated indebtedness.

Windstream's substantial amount of debt could have important consequences to you. For example, it could:

make it more difficult for Windstream to satisfy its obligations under the notes;

increase its vulnerability to general adverse economic and industry conditions;

require it to dedicate a substantial portion of its cash flow from operations to make interest and principal payments on its debt, thereby limiting the availability of its cash flow to fund future capital expenditures, working capital and other general corporate requirements;

limit its flexibility in planning for, or reacting to, changes in its business and the telecommunications industry;

place it at a competitive disadvantage compared with competitors that have less debt; and

limit its ability to borrow additional funds, even when necessary to maintain adequate liquidity.

In addition, a substantial portion of Windstream's debt, including borrowings under its credit facilities, bear interest at variable rates. If market interest rates increase, variable-rate debt will create higher debt service requirements, which could adversely affect its cash flow. In order to insulate the company from cash flow variability resulting from interest rate risk, we have entered into four identical pay fixed, receive variable interest rate swap agreements to hedge cash flows on a principal amount of \$1.6 billion of borrowings under a \$1.9



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billion senior secured credit facility term loan, amortizing down to \$906.25 million over the seven-year term of the swaps. The floating rate component of the interest rate swaps are based on the three-month LIBOR, and resets quarterly on the same dates as the interest rate on term loan B. While Windstream is attempting to limit its exposure to higher interest rates, any such agreements may not offer complete protection from this risk.

***Despite Windstream's substantial debt, Windstream may still be able to incur significantly more debt. This could further exacerbate the risks associated with its substantial debt.***

Windstream may be able to incur additional debt in the future. The terms of its credit facilities and the indenture governing the notes allow it to incur substantial amounts of additional debt, subject to certain limitations. If new debt is added to its current debt levels, the related risks Windstream could face would be magnified.

***The notes will be effectively subordinated to the secured debt of Windstream and the guarantors.***

The notes, and each guarantee of the notes, are unsecured and therefore will be effectively subordinated to any secured debt of Windstream and the guarantors to the extent of the assets securing such debt. In the event of a bankruptcy or similar proceeding, the assets which serve as collateral for any secured debt will be available to satisfy the obligations under the secured debt before any payments are made on the notes. As of September 30, 2006, Windstream had \$2.4 billion of secured debt outstanding and up to \$500 million of additional availability under its revolving credit facility. The notes will be effectively subordinated to any borrowings under the credit facilities and other secured debt. The indenture governing the notes will allow Windstream to incur a substantial amount of additional secured debt.

***Not all of Windstream's subsidiaries will be required to guarantee the notes, and the assets of any non-guarantor subsidiaries may not be available to make payments on the notes.***

On the issue date of the notes, Windstream's subsidiaries that guarantee its credit facilities will also guarantee the notes. However, most of its regulated subsidiaries do not guarantee the credit facilities or the old note and will not guarantee the new notes. As of September 30, 2006, the non-guarantor subsidiaries held approximately 59% of Windstream's total assets. All of Windstream's future unrestricted subsidiaries, and any of Windstream's future restricted subsidiaries that do not guarantee any of its other debt, will not guarantee the notes.

In the event that any non-guarantor subsidiary of Windstream becomes insolvent, liquidates, reorganizes, dissolves or otherwise winds up, holders of its debt and its trade creditors generally will be entitled to payment on their claims from the assets of that subsidiary before any of those assets are made available to Windstream or any guarantors. Consequently, your claims in respect of the notes will be effectively subordinated to all of the liabilities of any subsidiary of Windstream that is not a guarantor, including trade payables. In addition, the indenture, subject to certain limitations, permits these subsidiaries to incur additional indebtedness and does not contain any limitation on the amount of other liabilities, such as trade payables, that these subsidiaries may incur.

***To service its debt and meet its other cash needs, Windstream will require a significant amount of cash, which may not be available to it.***

The ability of Windstream to make payments on, or repay or refinance, its debt, including the notes and to fund planned capital expenditures, dividends and other cash needs will depend largely upon its future operating performance. Its future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond its control. In addition, its ability to borrow funds in the future to make payments on its debt will depend on the satisfaction of the covenants in its credit facilities and its other debt agreements, including the indenture governing the notes and other agreements Windstream may enter

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into in the future. Specifically, Windstream will need to maintain specified financial ratios and satisfy financial condition tests. Furthermore, Windstream expects to pay cash dividends of \$1.00 per share per annum, which will represent an aggregate of approximately \$475 million per year to the holders of its common stock. Windstream may not generate sufficient cash flow from operations, have future borrowings available to it under its credit facilities or from other sources in an amount sufficient to enable it to pay its debt, including the notes, or be able to fund its dividends and other liquidity needs.

In addition, before the repayment of the notes, Windstream will be required to refinance or repay its credit facilities and the Valor notes. Windstream may not be able to refinance any of its debt, including its credit facilities, on commercially reasonable terms or at all. If Windstream is unable to make payments or refinance its debt, or obtain new financing under these circumstances, Windstream would have to consider other options, such as:

sales of assets;

sales of equity; and/or

negotiations with its lenders to restructure the applicable debt.

Windstream's credit agreement and the indenture governing the notes may restrict, or market or business conditions may limit, its ability to do some of these things. In addition, certain tax related agreements limit our ability to engage in such actions during the next two years.

***Windstream is dependent upon dividends from its subsidiaries to meet its debt service obligations.***

Windstream is a holding company and conducted all of its operations through its subsidiaries. Windstream's ability to meet its debt service obligations will be dependent on receipt of dividends from its direct and indirect subsidiaries. Subject to the restrictions contained in the indenture, future borrowings by its subsidiaries may contain restrictions or prohibitions on the payment of dividends by its subsidiaries to it. In addition, federal and state regulations governing Windstream's regulated subsidiaries and applicable state corporate law may limit the ability of its subsidiaries to pay dividends to it. The agreements governing the current and future indebtedness of Windstream's subsidiaries, as well as applicable laws or state regulation, may not permit its subsidiaries to provide it with sufficient dividends, distributions or loans to fund payments on these notes when due.

***The agreements governing Windstream's debt, including the notes and its credit facilities, contain various covenants that impose restrictions on Windstream that may affect its ability to operate its business and to make payments on the notes.***

The agreements governing Windstream's credit facilities, the indenture and the agreements that govern other indebtedness of Windstream each impose operating and financial restrictions on Windstream's activities. These restrictions include compliance with or maintenance of certain financial tests and ratios, including minimum interest coverage ratio and maximum leverage ratio and limit or prohibit its ability to, among other things:

incur additional debt and issue preferred stock;

create liens;

redeem and/or repay certain debt;

pay dividends on its stock or repurchase stock;



make certain investments;

engage in specified sales of assets;

enter into transactions with affiliates;

enter new lines of business;

engage in consolidation, mergers and acquisitions;

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make certain capital expenditures; and

pay dividends and make other distributions.

These restrictions on Windstream's ability to operate its business could seriously harm its business by, among other things, limiting its ability to take advantage of financing, merger and acquisition and other corporate opportunities.

Various risks, uncertainties and events beyond its control could affect its ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in its existing or future financing agreements would result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt and to terminate any commitments to lend. Under these circumstances, Windstream might have insufficient funds or other resources to satisfy all of its obligations, including its obligations under the notes. In addition, the limitations imposed by financing agreements on its ability to incur additional debt and to take other actions might significantly impair Windstream's ability to obtain other financing.

***Fraudulent conveyance laws may void the notes and/or the guarantees or subordinate the notes and/or the guarantees.***

The issuance of the notes may be subject to review under federal bankruptcy law or relevant state fraudulent conveyance laws if a bankruptcy lawsuit is commenced by or on behalf of Windstream's or the guarantors' creditors. Under these laws, if in such a lawsuit a court were to find that, at the time the notes are issued, Windstream:

incurred this debt with the intent of hindering, delaying or defrauding current or future creditors; or

received less than reasonable equivalent value or fair consideration for incurring this debt, and the guarantor;

was insolvent or was rendered insolvent by reason of the related financing transactions;

was engaged, or about to engage, in a business or transaction for which its remaining assets constituted unreasonably small capital to carry on its business; or

intended to incur, or believed that it would incur, debts beyond its ability to pay these debts as they mature, as all of the foregoing terms are defined in or interpreted under the relevant fraudulent transfer or conveyance statutes; then the court could void the notes or subordinate the notes to Windstream's presently existing or future debt or take other actions detrimental to you.

While the 2016 Notes were issued to Alltel in exchange for the contribution of its wireline assets to Windstream, a court could conclude they were issued for less than reasonably equivalent value. The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in any such proceeding. Generally, an entity would be considered insolvent if, at the time it incurred the debt:

it could not pay its debts or contingent liabilities as they become due;

the sum of its debts, including contingent liabilities, is greater than its assets, at fair valuation; or

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the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they become absolute and mature.

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A court could apply different standards to determine whether Windstream was insolvent as of the date the notes were issued, and, regardless of the method of valuation, a court could determine that it was insolvent on that date. A court could also determine, regardless of whether Windstream was insolvent on the date the notes were issued, that the payments constituted fraudulent transfers on another ground.

Windstream's obligations under the notes are guaranteed by all of its existing subsidiaries that are guarantors under its credit facilities, and the guarantees may also be subject to review under various laws for the protection of creditors. The analysis set forth above would generally apply, except that the guarantees could also be subject to the claim that, since the guarantees were incurred for the benefit of Windstream, and only indirectly for the benefit of the guarantors, the obligations of the guarantors thereunder were incurred for less than reasonably equivalent value or fair consideration. A court could void a guarantor's obligation under its guarantee, subordinate the guarantee to the other indebtedness of a guarantor, direct that holders of the notes return any amounts paid under a guarantee to the relevant guarantor or to a fund for the benefit of its creditors, or to take other action detrimental to the holders of the notes. In addition, the liability of each guarantor under the indenture will be limited to the amount that will result in its guarantee not constituting a fraudulent conveyance, and we cannot predict what standard a court would apply in making a determination as to what would be the maximum liability of each guarantor.

***Windstream may be unable to make a change of control offer required by the indenture governing the notes which would cause defaults under the indenture governing the notes, its credit facilities and its other new financing arrangements.***

The terms of the notes will require Windstream to make an offer to repurchase the notes upon the occurrence of a change of control at a purchase price equal to 101% of the principal amount of the notes, plus accrued interest to the date of the purchase. The terms of Windstream's credit facilities will require, and other financing arrangements may require, repayment of amounts outstanding in the event of a change of control and limit its ability to fund the repurchase of your notes in certain circumstances. It is possible that Windstream will not have sufficient funds at the time of the change of control to make the required repurchase of notes or that restrictions in its credit facilities and other financing arrangements will not allow the repurchases.

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This exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any cash proceeds from the issuance of the new notes. In consideration for issuing the new notes contemplated in this prospectus, we will receive outstanding securities in like principal amount, the form and terms of which are the same as the form and terms of the new notes, except as otherwise described in this prospectus. The old notes surrendered in exchange for new notes will be retired and canceled. Accordingly, no additional debt will result from the exchange. We have agreed to bear the expense of the exchange offer.

We received approximately \$789.3 million in net proceeds from the offering of the 2013 Notes, after deducting the initial purchasers' discount and fees and expenses of the offering. These proceeds, together with proceeds of borrowings under our credit facilities, were used to finance the transaction contemplated by the spin-off of Spinco by Alltel and the subsequent merger of Spinco and Valor. We did not receive any proceeds from the sale of the 2016 Notes by the initial purchasers thereof.

**CAPITALIZATION**

The following table sets forth the cash and cash equivalents and capitalization of Windstream and its subsidiaries as of September 30, 2006. Any old notes that are properly tendered and exchanged for new notes pursuant to the exchange offer will be retired and cancelled. Accordingly, the issuance of the new notes will not result in any change to our capitalization. This table should be read in conjunction with the consolidated financial statements and the notes thereto appearing in the Windstream September 30, 2006, Form 10-Q, incorporated by reference herein. All dollar amounts are in millions.

	<b>As of September 30, 2006 (Dollars in millions)</b>
Cash and short-term investments	\$ 373
Long-term debt, including current portion	
ALLTEL Communications Holdings of the Midwest, Inc. 6.75%, due April 1, 2028	100
ALLTEL Georgia Communications Corp. 6.50%, due November 15, 2013	80
Televue, Inc. 7.00%, due January 2, 2010 and May 2, 2010	1
Other debt	
7.75% senior notes due 2015 of Valor	415
Credit facilities(s)	2,400
2013 notes	800
2016 notes	1,703
<b>Total long-term debt, including current portion</b>	<b>5,499</b>
Stockholders' equity (deficit)	603
<b>Total capitalization</b>	<b>\$ 6,475</b>

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**THE EXCHANGE OFFER**

**Purpose of the Exchange Offer**

On July 17, 2006, Windstream privately placed \$800,000,000 aggregate principal amount of 2013 Notes in a transaction exempt from registration under the Securities Act. On July 17, 2006, Windstream privately placed \$1,746,000,000 aggregate principal amount of 2016 Notes in a transaction exempt from registration under the Securities Act on behalf of certain selling security holders. Accordingly, the old notes may not be reoffered, resold or otherwise transferred in the United States unless so registered or unless an exemption from the Securities Act registration requirements is available. In the registration rights agreement, we have agreed with the initial purchasers of the old notes to:

file a registration statement with the SEC relating to the exchange offer not later than November 14, 2006;

use our commercially reasonable efforts to cause the exchange offer registration statement to become effective under the Securities Act by January 12, 2007; and

upon effectiveness of the exchange offer registration statement, promptly commence the exchange offer.

In addition, we have agreed to keep the exchange offer open for at least 30 days, or longer if required by applicable law, after the date notice of the exchange offer is mailed to the holders of the old notes. The new notes are being offered under this prospectus to satisfy our obligations under the registration rights agreement.

**Terms of the Exchange**

Upon the terms and subject to the conditions contained in this prospectus and in the letter of transmittal that accompany this prospectus, we are offering to exchange (i) \$1,000 in principal amount of New 2013 Notes for each \$1,000 in principal amount of outstanding 2013 Notes and (ii) \$1,000 in principal amount of New 2016 Notes for each \$1,000 in principal amount of outstanding 2016 Notes. The terms of the new notes are substantially identical to the terms of the old notes for which they may be exchanged in the exchange offer, except that:

- (1) the new notes have been registered under the Securities Act and will be freely transferable, other than as described in this prospectus;
- (2) the new notes will not contain any legend restricting their transfer;
- (3) holders of the new notes will not be entitled to some of the rights of the holders of the old notes under the registration rights agreement, which rights will terminate on completion of the exchange offer; and
- (4) the new notes will not contain any provisions regarding the payment of additional interest.

The new notes will evidence the same debt as the old notes and will be entitled to the benefits of the indenture.

The exchange offer is not conditioned on any minimum aggregate principal amount of old notes being tendered for exchange.

Based on interpretations by the SEC's staff in no-action letters issued to other parties, we believe that a holder of new notes issued in the exchange offer may transfer the new notes without complying with the registration and prospectus delivery requirements of the Securities Act if such holder:

is not an affiliate of the Company within the meaning of Rule 405 under the Securities Act,

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is not a broker-dealer tendering old notes acquired directly from Windstream for its own account,

acquired the old notes in the ordinary course of its business, and

has no arrangements or understandings with any person to participate in this exchange offer for the purpose of distributing the old notes and has made representations to Windstream to that effect.

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Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes.

The letter of transmittal that accompanies this prospectus states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. A participating broker-dealer may use this prospectus, as it may be amended or supplemented from time to time, in connection with resales of new notes received in exchange for old notes where those new notes were acquired by the broker-dealer as a result of market-making activities or other trading activities. We have agreed that we will make available to any broker-dealer, without charge, as many copies of this prospectus as such broker-dealer may reasonably request.

Tendering holders of old notes will not be required to pay brokerage commissions or fees or, subject to the instructions in the applicable letter of transmittal, transfer taxes relating to the exchange of old notes for new notes in the exchange offer.

## **Shelf Registration Statement**

If, because of changes in law, SEC rules or regulations or applicable interpretations of the staff of the SEC, Windstream is not permitted to effect the exchange offer, or under certain other circumstances, Windstream and the guarantors will, at their cost, file with the SEC and use their commercially reasonable efforts to cause to become effective no later than February 26, 2007 a shelf registration statement with respect to resales of the old notes and new notes and to keep the registration statement effective for two years, or, if earlier, the date when all old notes or new notes covered by the shelf registration statement have been sold pursuant to the shelf registration statement. Windstream will, in the event of a shelf registration, provide copies of the prospectus to each holder, notify each holder when the shelf registration statement for the old notes and new notes has become effective and take certain other actions as are required to permit resales of such notes.

A holder selling old notes or new notes under the shelf registration statement generally must be named as a selling security holder in the related prospectus and must deliver a prospectus to purchasers. Consequently, the holder may be subject to the civil liability provisions under the Securities Act in connection with those sales and will be bound by any applicable provisions of the registration rights agreement, including specified indemnification obligations.

## **Additional Interest**

Additional interest will accrue on the principal amount of the old notes, in addition to the stated interest on the old notes, from and including the date on which a registration default occurs to but excluding the date on which all registration defaults have been cured.

The occurrence of any of the following is a registration default:

- (1) neither the exchange offer registration statement nor the shelf registration statement has been filed with the SEC on or before November 14, 2006,
- (2) neither the exchange offer registration statement nor the shelf registration statement has been declared effective on or before January 12, 2007,
- (3) neither the exchange offer has been completed nor the shelf registration statement has been declared effective on or before February 9, 2007, or
- (4) after either the exchange offer registration statement or the shelf registration statement has been declared effective, that registration statement ceases to be effective or usable, subject to certain exceptions, in connection with resales of old notes or new notes in accordance with and during the periods specified in the registration rights agreement.



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Additional interest will accrue at a rate of 0.25% per annum on the principal amount during the 90-day period after the occurrence of the registration default and will increase by 0.25% per annum at the end of each subsequent 90-day period. In no event will the rate exceed 1.00% per annum on the principal amount. If the exchange offer is completed on the terms and within the period contemplated by this prospectus, no additional interest will be payable.

The summary of the provisions of the registration rights agreement contained in this prospectus does not contain all of the terms of the agreement. This summary is subject to and is qualified in its entirety by reference to all the provisions of the registration rights agreement, a copy of which is filed as an exhibit to the registration statement of which this prospectus forms a part.

### **Expiration Date; Extensions; Termination; Amendments**

The expiration date of the exchange offer is 5:00 p.m., Eastern Standard time, on [●], 2006, unless Windstream in its sole discretion extends the period during which the exchange offer is open. In that case, the expiration date will be the latest time and date to which the exchange offer is extended. We reserve the right to extend the exchange offer at any time and from time to time before the expiration date by giving written notice to U.S. Bank National Association, the exchange agent, and by timely public announcement. Unless otherwise required by applicable law or regulation, the public announcement will be made by a release to Businesswire, the PR Newswire or other national newswire service. During any extension of the exchange offer, all old notes previously tendered in the exchange offer will remain subject to the exchange offer.

The initial exchange date will be the first business day following the expiration date. We expressly reserve the right to:

- (1) terminate the exchange offer and not accept for exchange any old notes for any reason, including if any of the events described below under Conditions to the Exchange Offer shall have occurred and shall not have been waived by us; and
- (2) amend the terms of the exchange offer in any manner.

If any termination or amendment occurs, we will notify the exchange agent in writing and will either issue a press release or give written notice to the holders of the old notes as promptly as practicable. Unless we terminate the exchange offer prior to 5:00 p.m., New York City time, on the expiration date, we will exchange the new notes for the old notes on the exchange date.

If we waive any material condition to the exchange offer or amend the exchange offer in any other material respect and at the time that notice of this waiver or amendment is first published, sent or given to holders of old notes in the manner specified above, the exchange offer is scheduled to expire at any time earlier than the fifth business day from, and including, the date that the notice is first so published, sent or given, then the exchange offer will be extended until that fifth business day.

This prospectus and the letter of transmittal and other relevant materials will be mailed to record holders of old notes. In addition, these materials will be furnished to brokers, banks and similar persons whose names, or the names of whose nominees, appear on the lists of holders for subsequent transmittal to beneficial owners of old notes.

### **How to Tender**

The tender to Windstream of old notes according to one of the procedures described below will constitute an agreement between that holder of old notes and Windstream in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

*General Procedures.* A holder of an old note may tender them by properly completing and signing the letter of transmittal or a facsimile of the letter of transmittal and delivering them, together with the certificate or certificates representing the old notes being tendered and any required signature guarantees, or a timely

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confirmation of a book-entry transfer according to the procedure described below, to the exchange agent at the address set forth below under Exchange Agent on or before the expiration date, or complying with the guaranteed delivery procedures described below. All references in this prospectus to the letter of transmittal include a facsimile of the letter of transmittal.

If tendered old notes are registered in the name of the signer of the applicable letter of transmittal and the new notes to be issued in exchange for accepted old notes are to be issued, and any untendered old notes are to be reissued, in the name of the registered holder, the signature of the signer need not be guaranteed. In any other case, the tendered old notes must be endorsed or accompanied by written instruments of transfer in form satisfactory to Windstream. They must also be duly executed by the registered holder. In addition, the signature on the endorsement or instrument of transfer must be guaranteed by an eligible guarantor institution that is a member of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Exchange Act. If the new notes and/or old notes not exchanged are to be delivered to an address other than that of the registered holder appearing on the note register for the old notes, an eligible guarantor institution must guarantee the signature on the applicable letter of transmittal.

Any beneficial owner whose old notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender old notes should contact the holder promptly and instruct it to tender on the beneficial owner's behalf. If the beneficial owner wishes to tender the old notes itself, the beneficial owner must either make appropriate arrangements to register ownership of the old notes in its name or follow the procedures described in the immediately preceding paragraph. The beneficial owner must make these arrangements or follow these procedures before completing and executing the letter of transmittal and delivering the old notes. The transfer of record ownership may take considerable time.

*Book-Entry Transfer.* The exchange agent will make a request to establish an account for the old notes at each book-entry transfer facility for purposes of the exchange offer within two business days after receipt of this prospectus unless the exchange agent already has established an account with the book-entry transfer facility suitable for the exchange offer. Subject to the establishment of the account, any financial institution that is a participant in the book-entry transfer facility's systems may make book-entry delivery of old notes by causing a book-entry transfer facility to transfer the old notes into one of the exchange agent's accounts at the book-entry transfer facility in accordance with the facility's procedures. However, although delivery of old notes may be effected through book-entry transfer, the applicable letter of transmittal, with any required signature guarantees and any other required documents, must, in any case, be transmitted to and received by the exchange agent at the address set forth below under Exchange Agent on or before the expiration date or the guaranteed delivery procedures described below must be complied with.

The method of delivery of old notes and all other documents is at the election and risk of the holder. If sent by mail, it is recommended that the holder use registered mail, return receipt requested, obtain proper insurance, and make the mailing sufficiently in advance of the expiration date to permit delivery to the exchange agent on or before the expiration date.

Unless an exemption applies under applicable law and regulations concerning backup withholding of federal income tax, the exchange agent will be required to withhold 28% of the gross proceeds otherwise payable to a holder in the exchange offer if the holder does not provide the holder's taxpayer identification number and certify that the number is correct.

*Guaranteed Delivery Procedures.* If a holder desires to accept the exchange offer and time will not permit a letter of transmittal or old notes to reach the exchange agent before the expiration date, a tender may be effected if the exchange agent has received at one of its offices listed under Exchange Agent below on or before the expiration date a letter, telegram or facsimile transmission from an eligible guarantor institution that:

(1) sets forth the name and address of the tendering holder, the names in which the old notes are registered and, if possible, the certificate numbers of the old notes to be tendered; and

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(2) states that the tender is being made thereby; and

(3) guarantees that within three New York Stock Exchange trading days after the date of execution of the letter, telegram or facsimile transmission by the eligible guarantor institution, the old notes, in proper form for transfer, will be delivered by the eligible guarantor institution together with a properly completed and duly executed letter of transmittal and any other required documents.

Unless old notes being tendered by the above-described method or a timely confirmation of a book-entry transfer are deposited with the exchange agent within the time period described above, accompanied or preceded by a properly completed letter of transmittal and any other required documents, we may reject the tender. Copies of a notice of guaranteed delivery which may be used by eligible guarantor institutions for the purposes described in this paragraph are being delivered with this prospectus and the letter of transmittal.

A tender will be deemed to have been received as of the date when the tendering holder's properly completed and duly signed letter of transmittal accompanied by the old notes or a timely confirmation of a book-entry transfer is received by an exchange agent. Issuances of new notes in exchange for old notes tendered by an eligible guarantor institution as described above will be made only against deposit of the applicable letter of transmittal and any other required documents and the tendered old notes or a timely confirmation of a book-entry transfer.

All questions as to the validity, form, eligibility, including time of receipt, and acceptance for exchange of any tender of old notes will be determined by us. Our determination will be final and binding. We reserve the absolute right to reject any or all tenders not in proper form or the acceptances for exchange of which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any of the conditions of the exchange offer or any defect or irregularities in tenders of any particular holder whether or not similar defects or irregularities are waived in the case of other holders. None of Windstream, the exchange agent or any other person will incur any liability for failure to give notification of any defects or irregularities in tenders. Our interpretation of the terms and conditions of the exchange offer, including the letter of transmittal and the instructions to the letter of transmittal, will be final and binding.

### **Terms and Conditions of the Letter of Transmittal**

The letter of transmittal contains, among other things, the following terms and conditions, which are part of the exchange offer.

The party tendering old notes for exchange, or the transferor, exchanges, assigns and transfers the old notes to Windstream and irrevocably constitutes and appoints our exchange agent as its agent and attorney-in-fact to cause the old notes to be assigned, transferred and exchanged. The transferor represents and warrants that:

(1) it has full power and authority to tender, exchange, assign and transfer the old notes and to acquire new notes issuable upon the exchange of the tendered old notes; and

(2) when the same are accepted for exchange, we will acquire good and unencumbered title to the tendered old notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim.

The transferor also warrants that it will, upon request, execute and deliver any additional documents we deem necessary or desirable to complete the exchange, assignment and transfer of tendered old notes. The transferor further agrees that acceptance of any tendered old notes by us and the issuance of new notes in exchange shall constitute performance in full of our obligations under the registration rights agreement and that we will have no further obligations or liabilities under the registration rights agreement, except in certain limited circumstances. All authority conferred by the transferor will survive the death or incapacity of the transferor and every obligation of the transferor shall be binding upon the heirs, legal representatives, successors, assigns, executors and administrators of the transferor.

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By tendering old notes, the transferor certifies that:

- (1) it is not an affiliate of Windstream within the meaning of Rule 405 under the Securities Act, that it is not a broker-dealer that owns old notes acquired directly from Windstream or its affiliates, that it is acquiring the new notes offered hereby in the ordinary course of its business and that it has no arrangement with any person to participate in the distribution of the new notes; or
- (2) it is an affiliate, as so defined, of Windstream or of the initial purchasers, and that it will comply with applicable registration and prospectus delivery requirements of the Securities Act.

Each broker-dealer that receives new notes for its own account in the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of those new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act.

## **Withdrawal Rights**

Old notes tendered in the exchange offer may be withdrawn at any time before 5:00 pm (Eastern Time) on the expiration date.

For a withdrawal to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the exchange agent at the address set forth below under Exchange Agent. Any notice of withdrawal must:

- (1) state the name of the registered holder of the old notes;
- (2) state the principal amount of old notes delivered for exchange;
- (3) state that the holder is withdrawing its election to have those old notes exchanged;
- (4) specify the principal amount of old notes to be withdrawn, which must be an authorized denomination;
- (5) specify the certificate numbers of old notes to be withdrawn; and
- (6) be signed by the holder in the same manner as the original signature on the applicable letter of transmittal, including any required signature guarantees, or be accompanied by evidence satisfactory to us that the person withdrawing the tender has succeeded to the beneficial ownership of the old notes being withdrawn.

If certificates for old notes have been delivered or otherwise identified to the exchange agent, then prior to the release of those certificates, the withdrawing holder must also submit the serial numbers of the particular certificates to be withdrawn and a signed notice of withdrawal with signatures guaranteed by an eligible institution unless that holder is an eligible institution.

If old notes have been tendered pursuant to the procedure for book-entry transfer described above, the executed notice of withdrawal, guaranteed by an eligible institution, unless that holder is an eligible institution, must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn old notes and otherwise comply with the procedures of that facility. All questions as to the validity, form and eligibility, including time of receipt, of those notices will be determined by us, and our determination shall be final and binding on all parties. Any old notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Any old notes which have been tendered for exchange but which are not exchanged for any reason will be either

- (1) returned to the holder without cost to that holder, or
- (2) in the case of old notes tendered by book-entry transfer into the applicable exchange agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above,

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those old notes will be credited to an account maintained with the book-entry transfer facility for the old notes, in either case as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn old notes may be retendered by following one of the procedures described under "How to Tender" above at any time on or prior to the expiration date.

### **Acceptance of Old Notes for Exchange; Delivery of New Notes**

Upon the terms and subject to the conditions of the exchange offer, the acceptance for exchange of old notes validly tendered and not withdrawn and the issuance of the new notes will be made on the exchange date. For the purposes of the exchange offer, we will be deemed to have accepted for exchange validly tendered old notes when, as and if we had given written notice of acceptance to the exchange agent.

The exchange agent will act as agent for the tendering holders of old notes for the purposes of receiving new notes from us and causing the old notes to be assigned, transferred and exchanged. Upon the terms and subject to the conditions of the exchange offer, delivery of new notes to be issued in exchange for accepted old notes will be made by the exchange agent promptly after acceptance of the tendered old notes. Old notes not accepted for exchange will be returned without expense to the tendering holders. Or, in the case of old notes tendered by book-entry transfer, the non-exchanged old notes will be credited to an account maintained with the book-entry transfer facility promptly following the expiration date. If we terminate the exchange offer before the expiration date, these non-exchanged old notes will be credited to the applicable exchange agent's account promptly after the exchange offer is terminated.

### **Conditions to the Exchange Offer**

The exchange offer will not be subject to any conditions, other than:

(i) that the exchange offer, or the making of any exchange by a holder, does not violate applicable law or any applicable interpretation of the staff of the SEC,

(ii) the due tendering of old notes in accordance with the exchange offer,

(iii) that each holder of the old notes exchanged in the exchange offer shall have represented that all new notes to be received by it shall be acquired in the ordinary course of its business and that at the time of the consummation of the exchange offer it shall have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the new notes and shall have made such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to render the use of Form S-4 or other appropriate form under the Securities Act available,

(iv) all governmental approvals which Windstream reasonably deems necessary for the consummation of the exchange offer shall have been obtained, and

(v) that no action or proceeding shall have been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer or which, in Windstream's judgment, would reasonably be expected to impair the ability of Windstream or any of the guarantors to proceed with the exchange offer.

The conditions described above are for our sole benefit. We may assert these conditions regarding all or any portion of the exchange offer regardless of the circumstances, including any action or inaction by us, giving rise to the condition. We may waive these conditions in whole or in part at any time or from time to time in our sole discretion. Our failure at any time to exercise any of the rights described above will not be deemed a waiver of any of those rights, and each right will be deemed an ongoing right which may be asserted at any time or from time to time. In addition, we have reserved the right, despite the satisfaction of each of the conditions described above, to terminate or amend the exchange offer.

Any determination by us concerning the fulfillment or non-fulfillment of any conditions will be final and binding upon all parties.

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In addition, we will not accept for exchange any old notes tendered and no new notes will be issued in exchange for any old notes, if at that time any stop order is threatened or in effect relating to:

- (1) the registration statement of which this prospectus constitutes a part; or
- (2) the qualification of any of the indentures under the Trust Indenture Act.

## **Exchange Agent**

U.S. Bank National Association has been appointed as the exchange agent for the exchange offer. Letters of transmittal must be addressed to the exchange agent at the address set forth below.

Deliver to:

U.S. Bank National Association

c/o Muriel Shaw

Assistant Vice President

Corporate Trust Department

25 Park Place N.E., 24th Floor

Atlanta, GA 30303-2900

Delivery to an address other than as set forth in this prospectus, or transmissions of instructions via a facsimile or telex number other than the ones set forth herein, will not constitute a valid delivery.

## **Solicitation of Tenders; Expenses**

We have not retained any dealer-manager or similar agent in connection with the exchange offer and will not make any payments to brokers, dealers or others for soliciting acceptances of the exchange offer. However, we will pay the exchange agent reasonable and customary fees for its services and will reimburse it for reasonable out-of-pocket expenses in connection with its services. We will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding tenders for their customers. The expenses to be incurred in connection with the exchange offer, including the fees and expenses of the exchange agent and printing, accounting and legal fees, will be paid by us and are estimated at approximately \$200,000.

## **Appraisal Rights**

Holders of old notes will not have dissenters' rights or appraisal rights in connection with the exchange offer.

## **Transfer Taxes**

Holders who tender their old notes for exchange will not be obligated to pay any transfer taxes in connection with the exchange, except that holders who instruct us to register new notes in the name of, or request that old notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer tax.

## **Accounting Treatment**

We will record the exchange notes at the same carrying value of the original notes of the corresponding series reflected in our accounting records on the date the exchange offer is completed. Accordingly, we will not recognize any gain or loss for accounting purposes upon the exchange of exchange notes for original notes. We will amortize certain expenses incurred in connection with the issuance of the exchange notes over the respective terms of the exchange notes.



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**Other**

Participation in the exchange offer is voluntary, and holders should carefully consider whether to accept the terms and conditions of this offer. Holders of the old notes are urged to consult their financial and tax advisors in making their own decisions on what action to take.

As a result of the making of this exchange offer, and upon acceptance for exchange of all validly tendered old notes according to the terms of this exchange offer, we will have fulfilled a covenant contained in the terms of the old notes and the registration rights agreement. Holders of the old notes who do not tender their certificates in the exchange offer will continue to hold those certificates and will be entitled to all the rights, and limitations applicable to the old notes under the indenture, except for any rights under the registration rights agreement which by its terms terminates or ceases to have further effect as a result of the making of this exchange offer.

All untendered old notes will continue to be subject to the restrictions on transfer set forth in the indenture. In general, the old notes may not be reoffered, resold or otherwise transferred in the U.S. unless registered under the Securities Act or unless an exemption from the Securities Act registration requirements is available. Except under certain limited circumstances, we do not intend to register the old notes under the Securities Act.

In addition, any holder of old notes who tenders in the exchange offer for the purpose of participating in a distribution of the new notes may be deemed to have received restricted securities. If so, that holder will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. To the extent that old notes are tendered and accepted in the exchange offer, the trading market, if any, for the old notes could be adversely affected.

We may in the future seek to acquire untendered old notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plan to acquire any old notes that are not tendered in the exchange offer.



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**DESCRIPTION OF NOTES**

**General**

Windstream issued the old notes under an indenture dated as of July 17, 2006 among Windstream, the Guarantors and U.S. Bank National Association (as successor to SunTrust Bank), as trustee (the Indenture). The New 2013 Notes and the New 2016& (2) if the Issuer designates such Restricted Subsidiary that is a Note Guarantor as an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture; or (3) if such a Note Guarantor is released from its Guarantee of borrowings by the Issuer under the Credit Agreement.

**Change of Control**

Upon the occurrence of any of the following events (each a Change of Control), each Holder will have the right to require the Issuer to purchase all or any part of such Holder's Senior Notes at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest and additional interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and additional interest, if any, due on the relevant interest payment date):

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more related transactions, of all or substantially all of the properties and assets of the Company and its Subsidiaries, taken as a whole, to any Person unless: (x) pursuant to such transaction such assets are changed into or exchanged for, in addition to any other consideration, securities of such Person that represent immediately after such transaction at least a majority of the aggregate voting power of the Voting Stock of such Person and (y) no person (as such term is used in Section 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) is the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of such Person;

(2) the adoption of a plan relating to the liquidation or dissolution of the Issuer;

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(3) any person (as such term is used in Sections 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of the Issuer;

(4) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Issuer (together with any new directors whose election by such board of directors of the Issuer or whose nomination for election by the shareholders of the Issuer was approved by a majority vote of the directors of the Issuer then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Issuer then in office;

(5) the merger or consolidation of the Issuer with or into another Person or the merger of another Person with or into the Issuer and the securities of the Issuer that are outstanding immediately prior to such transaction and which represent 100% of the aggregate voting power of the Voting Stock of the Issuer are changed into or exchanged for cash, securities or property, unless (a) pursuant to such transaction such securities are changed into or exchanged for, in addition to any other consideration, securities of the surviving Person that represent immediately after such transaction, at least a majority of the aggregate voting power of the Voting Stock of the surviving Person and (b) no person (as such term is used in Section 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) is the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of such surviving Person or transferee; or

(6) any change of control as defined in any Subordinated Indebtedness of the Issuer or the Note Guarantors to the extent not waived by the holders thereof:  
*provided, however,* that notwithstanding the occurrence of a Change of Control, the Issuer shall not be obligated to purchase the Senior Notes pursuant to this section in the event that it has exercised its right to redeem all the Senior Notes under the terms of the section titled *Optional Redemption* .

In the event that at the time of such Change of Control the terms of the Credit Documents restrict or prohibit the repurchase of Senior Notes pursuant to this covenant, then prior to the mailing of the notice to Holders provided for in the immediately following paragraph but in any event within 30 days following any Change of Control, the Issuer shall:

(1) repay in full all Indebtedness under the Credit Documents or, if doing so will allow the purchase of Senior Notes, offer to repay in full all Indebtedness under the Credit Documents and repay the Indebtedness under the Credit Documents of each lender who has accepted such offer; or

(2) obtain the requisite consent under the Credit Documents to permit the repurchase of the Senior Notes as provided for in the immediately following paragraph.

Within 30 days following any Change of Control, the Issuer shall mail a notice to each Holder with a copy to the Trustee (the *Change of Control Offer* ) stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase all or a portion of such Holder's Senior Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and additional interest, if any, on the relevant interest payment date);

(2) the circumstances and relevant facts and financial information regarding such Change of Control;  
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(3) the purchase date (which shall be no earlier than 10 Business Days nor later than 60 days from the date such notice is mailed); and

(4) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Senior Notes purchased.

The Issuer is not required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Senior Notes validly tendered and not withdrawn under such Change of Control Offer.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the purchase of Senior Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

The Change of Control purchase feature is a result of negotiations between the Issuer and the Initial Purchasers. Management has no present intention to engage in a transaction involving a Change of Control, although it is possible that the Issuer would decide to do so in the future. Subject to the limitations discussed below, the Issuer could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuer's capital structure or credit ratings. Restrictions on the ability of the Issuer to Incur additional Indebtedness are contained in the covenants described under *Certain Covenants - Incurrence of Indebtedness and Issuance of Preferred Stock* and *Certain Covenants - Limitation on Liens*. Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the Senior Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford Holders protection in the event of a highly leveraged transaction.

The occurrence of certain of the events which would constitute a Change of Control would constitute a default under the Credit Agreement. Future Indebtedness of the Issuer may contain prohibitions of certain events which would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Senior Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the Holders upon a purchase may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required purchases. The provisions under the Indenture relative to the Issuer's obligation to make an offer to purchase the Senior Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the Senior Notes then outstanding.

**Certain Covenants**

The Indenture contains covenants including, among others, the following:

*Incurrence of Indebtedness and Issuance of Preferred Stock.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness (including Acquired Indebtedness) and shall not permit any of its Restricted Subsidiaries that is not a Note Guarantor to issue any Preferred Stock; *provided, however,* that the Issuer and its Restricted Subsidiaries may Incur Indebtedness (including Acquired Indebtedness), and the Restricted Subsidiaries that are not Note Guarantors may issue Preferred Stock, if on the date of such Incurrence or issuance and after giving effect thereto (x) the Consolidated Adjusted Debt to EBITDA Ratio is less than 6.00 to 1.00 and (y) the Consolidated Adjusted Senior Debt to EBITDA Ratio is less than 4.00 to 1.00 (this test being referred to herein as the *Leverage Test*). For the purpose of the calculation of the *Leverage Test*, with respect to any period included in such calculation, Consolidated EBITDA, the components of Consolidated Interest Expense, and Consolidated

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Adjusted Debt and Capital Expenditures shall be calculated with respect to such period by the Issuer in good faith on a pro forma basis (including and consistent with Permitted Adjustments), giving effect to any Permitted Acquisition, Asset Disposition or Incurrence or redemption or repayment of Indebtedness that has given rise to the need for such calculation, has occurred during such period or has occurred after such period and on or prior to the date of such calculation (each a Subject Transaction ), including, with regard to Permitted Acquisitions and Asset Dispositions, by using the historical financial statements of any business so acquired or to be acquired or sold or to be sold and the consolidated financial statements of the Issuer and its Restricted Subsidiaries which shall be reformulated as if such Subject Transaction, and any Indebtedness Incurred or redeemed or repaid in connection therewith, had been consummated or Incurred or redeemed or repaid at the beginning of such period (and assuming that such Indebtedness bears interest during any portion of the applicable measurement period prior to the relevant acquisition at the weighted average of the interest rates applicable to outstanding revolving loans under the Credit Agreement Incurred during such period).

(b) The foregoing paragraph (a) shall not apply to:

(1) the Incurrence by the Issuer and its Restricted Subsidiaries of the Existing Indebtedness;

(2) the Incurrence by the Issuer and its Restricted Subsidiaries of the Indebtedness represented by the Senior Notes and the Note Guarantees (not including any Additional Notes) and the Exchange Notes and the Exchange Note Guarantees issued in exchange therefor;

(3) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness represented by (A) Capitalized Lease Obligations, mortgage financings or purchase money Indebtedness Incurred for the purpose of financing all or any part of the purchase price or cost of construction, repair, addition to or improvement of property, plant or equipment used in the business of the Issuer or such Subsidiary, in an aggregate principal amount, not to exceed \$180 million at any one time outstanding and (B) other purchase money Indebtedness in an aggregate principal amount not to exceed (without duplication) \$10 million at any one time outstanding;

(4) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, Refinance, renew, replace, defease or refund, Indebtedness that was permitted by the Indenture to be Incurred by the Issuer or such Restricted Subsidiary;

(5) the Incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness (A) between or among the Issuer and any Restricted Subsidiaries of the Issuer and (B) consisting of debits and credits among the Issuer and its Restricted Subsidiaries pursuant to the Centralized Cash Management System; *provided, however,* that (i) any intercompany Indebtedness which is borrowed by the Issuer or a Note Guarantor from a Restricted Subsidiary that is not a Note Guarantor shall be expressly subordinated to the Senior Notes or such Note Guarantor's Note Guarantee and (ii) (x) any subsequent issuance or transfer of Capital Stock that results in any such Indebtedness being held by a Person other than the Issuer or a Restricted Subsidiary, or (y) any sale or other transfer of any such Indebtedness to a Person other than the Issuer or a Restricted Subsidiary of the Issuer, or a lender or agent upon exercise of remedies under a pledge of such Indebtedness under the Credit Documents, shall be deemed, in each case of the foregoing clauses (ii) (x) and (y), to constitute an Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be;

(6) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Interest Swap Obligations that are Incurred for the purpose of fixing or hedging interest rate risk with respect to any Indebtedness that is permitted by the terms of the Indenture to be outstanding;

(7) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness evidenced by the Credit Documents (and the Guarantees thereof by the Issuer and the Issuer's Subsidiaries) in a principal amount not

exceeding \$1,115.6 million less all amounts used to repay Indebtedness under the Credit Agreement pursuant to the covenant described under Certain Covenants Asset Dispositions ; *provided* that, notwithstanding the limitations set forth in this clause (7), in the event of any permanent reduction or repayment of the Credit Agreement s revolving facility, the Issuer and its Restricted

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Subsidiaries shall have the right to obtain additional commitments under, and extend the maturity of, such revolving facility (and Incur additional revolving Indebtedness pursuant to such additional commitments) in an amount not exceeding the amount of such permanent reduction; *provided, further*, that, the aggregate amount of all such additional commitments obtained by the Issuer and its Restricted Subsidiaries since the date of the Indenture does not exceed \$100 million;

(8) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness under Currency Agreements;

(9) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness of the Issuer or any of its Restricted Subsidiaries represented by letters of credit for the account of the Issuer or such Restricted Subsidiary, as the case may be, in order to provide security for workers' compensation claims, payment obligations in connection with self-insurance or similar requirements in the Ordinary Course of Business;

(10) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of performance bonds, bankers' acceptances, workers' compensation claims, completion guarantees, letters of credit surety or appeal bonds, payment obligations in connection with self-insurance or similar obligations Incurred in the Ordinary Course of Business;

(11) the Guarantee by the Issuer or any of its Restricted Subsidiaries of Indebtedness of the Issuer or a Restricted Subsidiary of the Issuer that was permitted to be Incurred by another provision of this covenant;

(12) Indebtedness arising from agreements of the Issuer or a Restricted Subsidiary of the Issuer providing for indemnification, adjustment of purchase price or similar obligations, in each case, Incurred in connection with an Asset Disposition permitted by the Indenture or other sale or disposition of assets permitted under the Indenture;

(13) Indebtedness of a Restricted Subsidiary Incurred and outstanding on or prior to the date on which such Restricted Subsidiary was acquired by the Issuer (other than Indebtedness incurred in contemplation of, in connection with, as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Subsidiary of or was otherwise acquired by the Issuer); *provided, however*, that on the date that such Restricted Subsidiary is acquired by the Issuer, the Issuer would have been able to Incur \$1.00 of additional Indebtedness under the first paragraph of this covenant pursuant to the Leverage Test after giving effect to the Incurrence of such Indebtedness pursuant to this clause (13);

(14) the Incurrence of Indebtedness not to exceed \$35 million at any time outstanding secured by, and only by, the Spectrum Assets; and

(15) the Incurrence of other Indebtedness not to exceed \$100 million in the aggregate principal amount at any time outstanding.

(c) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (1) through (15) of the immediately preceding paragraph or is entitled to be Incurred pursuant to paragraph (a) of this covenant, the Issuer shall, in its sole discretion, classify (or later reclassify) such item of Indebtedness in any manner that complies with this covenant and will only be required to include the amount and type of such Indebtedness in one of such clauses of the immediately preceding paragraph or pursuant to paragraph (a) of this covenant; *provided* that Indebtedness outstanding under the Credit Documents as of the Closing Date shall be deemed to have been Incurred pursuant to clause (7) of paragraph (b) of this covenant. Accrual of interest, accretion of accreted value, amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms as the

Indebtedness on which such interest is being paid and any other issuance of securities paid-in-kind shall not be deemed to be Incurrence of Indebtedness for purposes of this covenant, but such amounts shall be included in Consolidated



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Adjusted Debt to the extent provided for in such definition. In addition, the Issuer may, at any time, change the classification of an item of Indebtedness (or any portion thereof) to any other clause of the immediately preceding paragraph or to Indebtedness properly Incurred under paragraph (a) of this covenant; *provided* that the Issuer would be permitted to Incur such item of Indebtedness (or portion thereof) pursuant to such other clause of the immediately preceding paragraph or paragraph (a) of this covenant, as the case may be, at such time of reclassification.

*Restricted Payments.* (a) The Issuer will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or make any dividend payment or other distribution of assets, properties, cash, rights, obligations or securities on account of any shares of any class of Capital Stock (including any payment in connection with a merger or consolidation involving the Issuer or any of its Restricted Subsidiaries), except (x) dividends or distributions payable solely in its Capital Stock (other than Disqualified Capital Stock or Capital Stock convertible into or exchangeable for Disqualified Capital Stock) and (y) dividends or distributions payable to the Issuer or to a Restricted Subsidiary (and, if the Restricted Subsidiary making such dividend or distribution has equityholders other than the Issuer or another Restricted Subsidiary, to such equityholders on a pro rata basis);

(2) purchase, redeem or otherwise acquire for value any shares of Capital Stock of the Issuer now or hereafter outstanding held by a Person other than the Issuer or another Restricted Subsidiary;

(3) make any payment or prepayment of principal of, premium, if any, interest, redemption, exchange, purchase, retirement, defeasance, sinking fund or other payment with respect to, any Subordinated Indebtedness of the Issuer prior to scheduled maturity, scheduled payment, scheduled repayment or scheduled sinking fund payment thereof (except redemption, exchange, purchase, retirement, defeasance, sinking fund or other payment within twelve months of the final maturity thereof); or

(4) make any Restricted Investments (the items described in clauses (1), (2), (3), and (4) are referred to as Restricted Payments ); except that the Issuer or any Restricted Subsidiary of the Issuer may make a Restricted Payment if at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default will have occurred and be continuing (or would result therefrom);

(B) the Issuer could Incur at least \$1.00 of additional Indebtedness under paragraph (a) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Closing Date (excluding Restricted Payments permitted by subsections (b) (1) through (4), inclusive, (7), (8) and (9) of this covenant), would be less than the sum, without duplication, of:

(i) Consolidated EBITDA minus 150% of Consolidated Interest Expense for the period (taken as one accounting period) from January 1, 2005 to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements of the Issuer and its Restricted Subsidiaries are available at the time of such Restricted Payment;

(ii) to the extent that any Restricted Investment that was made after the Closing Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (x) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (y) the initial amount of such Restricted Investment;

(iii) the amount equal to the net reduction in Investments in Unrestricted Subsidiaries resulting from the redesignation of Unrestricted Subsidiaries as Restricted Subsidiaries (valued as provided in the



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(iv) net cash dividends or other net cash distributions paid to the Issuer or any Restricted Subsidiary from Unrestricted Subsidiaries;

(v) the aggregate net cash proceeds and fair market value of property received by the Issuer from the issue or sale of its Capital Stock (other than Disqualified Capital Stock) or other capital contributions subsequent to the Closing Date (other than net cash proceeds or property (x) received from an issuance or sale of such Capital Stock to a Subsidiary of the Issuer or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan, option plan or similar trust is financed by loans from or guaranteed by the Issuer or any Restricted Subsidiary or (y) applied for the purposes of clause (1) of paragraph (b) below); and

(vi) aggregate net cash proceeds received by the Issuer from the issue or sale since the Closing Date of debt securities that have been converted into Capital Stock (other than Disqualified Capital Stock) of the Issuer.

(b) The provisions of the foregoing paragraph (a) will not prohibit any of the following:

(1) the defeasance, redemption or repurchase of (x) Subordinated Indebtedness of the Issuer properly incurred under the Indenture with the net cash proceeds from an Incurrence of Permitted Refinancing Indebtedness or the substantially concurrent sale (other than to a Subsidiary of the Issuer) of Capital Stock of the Issuer or (y) Convertible Preferred Stock or other Capital Stock of the Issuer with the Net Cash Proceeds from the substantially concurrent sale (other than to a Subsidiary of the Issuer) of Capital Stock of the Issuer (other than Disqualified Capital Stock);

(2) the making by the Issuer of regularly scheduled payments in respect of any Subordinated Indebtedness of the Issuer properly Incurred under the Indenture in accordance with the terms of, and only to the extent required by, and subject to the subordination provisions contained in, any agreement pursuant to which such Subordinated Indebtedness was issued;

(3) the making by the Issuer and its Restricted Subsidiaries of Permitted Acquisitions;

(4) the making by the Issuer of regularly scheduled dividend payments in respect of 6<sup>3</sup>/<sub>4</sub>% Cumulative Convertible Preferred Stock of the Issuer in accordance with the terms thereof;

(5) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this covenant;

(6) the repurchase or other acquisition of shares of, or options to purchase shares of, common stock of the Issuer or any of its Subsidiaries from employees, former employees, directors or former directors of the Issuer or any of its Subsidiaries (or permitted transferees of such employees, former employees, directors or former directors), pursuant to the terms of the agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors of the Issuer under which such individuals purchase or sell or are granted the option to purchase or sell, shares of such common stock; *provided, however*, that the aggregate amount of such repurchases shall not exceed \$5 million in any calendar year;

(7) the issuance of common stock of the Issuer to officers, directors and employees as part of compensation arrangements;

(8) the making by the Issuer and its Restricted Subsidiaries of other Restricted Payments not to exceed \$10 million in the aggregate since the Closing Date; and

(9) the repurchase or redemption of the 16% Notes.

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*Dividend and Other Payment Restrictions Affecting Subsidiaries.* The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions to the Issuer with respect to any Capital Stock of such Restricted Subsidiary or any other interest or participation in, or measured by, such Restricted Subsidiary's profits, or pay any Indebtedness or other obligations owed to the Issuer or the Issuer's other Restricted Subsidiaries;

(2) make loans or advances to the Issuer or the Issuer's other Restricted Subsidiaries; or

(3) transfer any of such Restricted Subsidiary's property or assets to the Issuer or the Issuer's other Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reason of:

(A) existing Indebtedness and agreements as in effect at or entered into on the Closing Date;

(B) the Credit Documents as in effect as of the Closing Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or Refinancings thereof permitted under the Indenture; *provided, however*, that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or Refinancings are not materially more restrictive with respect to such provisions than those contained in the Credit Documents on the Closing Date;

(C) the Indenture and the Senior Notes;

(D) Applicable Law;

(E) any encumbrance or restriction

(i) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or

(ii) contained in security agreements securing Indebtedness of the Issuer or a Restricted Subsidiary to the extent such encumbrance or restriction restricts the transfer of the property subject to such security agreements;

(F) capital leases or purchase money obligations for property acquired in the Ordinary Course of Business that impose restrictions of the nature described in clause (E) above on the property so acquired;

(G) Permitted Refinancing Indebtedness; *provided, however*, that such restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive than those contained in the agreements governing the Indebtedness being Refinanced;

(H) any instrument governing Indebtedness, Capital Stock or assets of a Person acquired by the Issuer or any of the Issuer's Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such instrument was created or such Indebtedness was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be Incurred;

(I) Secured Indebtedness otherwise permitted to be Incurred pursuant to the Indenture that limits the right of the debtor thereunder to dispose of the assets securing such Indebtedness;

(J) contracts for the sale of assets, including without limitation customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into or the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary;

(K) restrictions on deposits or minimum net worth requirements imposed by customers under contracts entered into in the Ordinary Course of Business;

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(L) customary provisions in joint venture agreements, licenses and leases and other similar agreements entered into in the Ordinary Course of Business;

(M) any encumbrance or restriction contained in an agreement evidencing Indebtedness of a Restricted Subsidiary permitted to be incurred subsequent to the Closing Date pursuant to the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; or

(N) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (A) through (M) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

*Asset Dispositions.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, consummate any Asset Disposition (*provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries as a whole is governed by the provisions described under Merger and Consolidation herein and not by the provisions of this covenant) unless:

(1) the consideration received is at least equal to the fair market value of such assets (except as the result of (x) any foreclosure or sale by the lenders under the Credit Documents or (y) Net Proceeds received from an insurer or a Governmental Authority, as the case may be, in the event of loss, damage, destruction or condemnation); and

(2) in the case of Asset Dispositions that are not Permitted Asset Swaps, at least 75% of the consideration thereof received by the Issuer or such Restricted Subsidiary is in the Form of cash and Cash Equivalents.

For the purposes of this covenant, the following are deemed to be cash:

any liabilities (as shown on the Issuer's or such Restricted Subsidiary's most recent balance sheet) of the Issuer or any Restricted Subsidiary that are assumed by the transferee of any such assets pursuant to any arrangement releasing the Issuer or such Restricted Subsidiary from further liability and

any securities, notes or other obligations received by the Issuer or any such Restricted Subsidiary from such transferee that are converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents within 90 days after the Asset Disposition (to the extent of the cash received).

(b) Within 365 days after the receipt of any Net Proceeds from an Asset Disposition, the Issuer or the Restricted Subsidiary making such Asset Disposition, as the case may be, may, at its option, apply such Net Proceeds (i) to permanently reduce Indebtedness Incurred by the Issuer under the Credit Agreement or any Indebtedness of the Restricted Subsidiaries of the Issuer which are not Note Guarantors, or to purchase the Senior Notes (with the consent of the Holders thereof to the extent required) or Indebtedness ranking *pari passu* with the Senior Notes (and to correspondingly reduce commitments with respect thereto, to the extent applicable) or (ii) to the acquisition of a controlling interest in another business, the making of Capital Expenditures or the investment in or acquisition of other long-term assets, in each case, in the same or a similar line of business as the Issuer and its Subsidiaries engaged in at the time such assets were sold or in a business reasonably related, complementing or ancillary thereto or a reasonable expansion thereof. Pending the final application of any such Net Proceeds, the Issuer may temporarily reduce revolving credit Indebtedness under the Credit Agreement or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture. Any Net Proceeds from Asset Dispositions that are not applied or invested as provided in the first sentence of this paragraph shall be deemed to constitute Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds \$15 million, the Issuer shall make an Asset Sale Offer to

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purchase the maximum principal amount of Senior Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the outstanding principal amount thereof, plus accrued and unpaid interest, thereon to the date of purchase, in accordance with the procedures set forth in the Indenture; *provided, however,* that if the Issuer elects (or is required by the terms of any other Indebtedness (other than Subordinated Indebtedness or Disqualified Capital Stock) of the Issuer), such Asset Sale Offer may be made ratably to purchase the Senior Notes and other Indebtedness (other than Subordinated Indebtedness or Disqualified Capital Stock) of the Issuer. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

(c) The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Senior Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

*Transactions with Affiliates.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any management, consulting, investment banking, advisory, or other services) with any Affiliate of the Issuer (each an Affiliate Transaction ) except:

(1) the performance of any agreements as in effect as of the Closing Date or the consummation of any transaction contemplated thereby (including pursuant to any amendment thereto as long as any such amendment is not disadvantageous to the Holders of the Senior Notes in any material respect);

(2) transactions (i) the terms which are not materially less favorable to the Issuer or such Restricted Subsidiary than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Issuer and (ii) with respect to which the Issuer delivers to the Trustee (A) with respect to any Affiliate Transaction involving aggregate consideration in excess of \$10 million, a resolution of the Board of Directors of the Issuer set forth in an Officers' Certificate certifying that such Affiliate transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Issuer, and (B) with respect to any Affiliate Transaction or series of Affiliate Transactions (other than any Affiliate Transaction with Cincinnati Bell Technology Solutions Inc.) involving in excess of \$30 million, an opinion as to the fairness of such Affiliate Transaction to the Issuer from a financial point of view issued by an Independent Qualified Party;

(3) payment of customary compensation to officers, employees, consultants and investment bankers for services actually rendered to the Issuer or such Restricted Subsidiary, including indemnity;

(4) payment of directors' fees plus expenses and customary indemnification of directors;

(5) the payment of the fees, expenses and other amounts payable by the Issuer and its Restricted Subsidiaries in connection with the offering of the Senior Notes;

(6) Restricted Payments permitted by the covenant described under Certain Covenants - Restricted Payments and Permitted Investments;

(7) transactions (x) between or among the Issuer and its Restricted Subsidiaries, (y) between and among the Restricted Subsidiaries and (z) between or among the Issuer and/or its Subsidiaries pursuant to the Centralized Cash Management System;

(8) any licensing agreement or similar agreement entered into in the Ordinary Course of Business relating to the use of technology or intellectual property between any of the Issuer and its Subsidiaries, on the one hand, and



any company or other Person which is an Affiliate of the Issuer or its subsidiaries by virtue of the fact that Person has made an Investment in or owns any Capital Stock of such company or other Person which are fair to the Issuer or its Restricted Subsidiaries, in the reasonable determination of the Board of Directors, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

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(9) the issuance of payments, awards or grants, in cash or otherwise, pursuant to, or the funding of, employment arrangements approved by the Board of Directors of the Issuer in good faith and customary loans and advances to employees of the Issuer, or any Restricted Subsidiary of the Issuer to the extent otherwise permitted in the Indenture;

(10) sale of services by the BRCOM Group to the Issuer and its Restricted Subsidiaries, so long as the prices for such services are consistent with past practices, are upon terms which are not less favorable to the Issuer or such Restricted Subsidiary than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Issuer; and

(11) transactions permitted under Sections 5.06(f) and 5.06(k) of the 16% Notes Indenture, as such Sections may be amended from time to time, and transactions permitted under the indenture governing the 7<sup>1</sup>/<sub>4</sub>% Notes or 8<sup>3</sup>/<sub>8</sub>% Notes.

Transactions permitted by Sections 5.06(f) and 5.06(k) of the 16% Notes Indenture consist primarily of pension plan services, management services, payroll and accounts-payable processing services, managed internet and hardware services, hosting/allocation services, helpdesk services, equipment and office supply services and the leasing of office space.

*Limitation on Issuance and Sales of Capital Stock of Subsidiaries.* The Issuer shall not, and shall not permit any Restricted Subsidiary to, transfer, convey, sell, issue, lease or otherwise dispose of any Capital Stock of any Restricted Subsidiary to any Person (other than to the Issuer or another Restricted Subsidiary of the Issuer), unless such transfer, conveyance, sale, lease or other disposition shall be made in accordance with the covenant described under **Certain Covenants – Asset Dispositions**, including the provision of such covenant governing the application of Net Proceeds from such transfer, conveyance, sale, lease or other disposition; *provided, however*, that this covenant shall not restrict any pledge of Capital Stock of the Issuer and its Restricted Subsidiaries securing indebtedness under the Credit Documents or other Indebtedness permitted to be secured under the covenant described under **Certain Covenants – Limitation on Liens**.

*Limitation on Liens.* The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, incur or permit to exist any Lien (other than (a) Liens securing Guarantees and Obligations under the Credit Documents and (b) Permitted Liens) on any asset now owned or hereafter acquired to secure any Indebtedness of the Issuer or such Restricted Subsidiary; *provided* that the Issuer or any Restricted Subsidiary may create, incur or assume Liens to secure any Indebtedness or a Guarantee thereof, so long as concurrently with the incurrence or assumption of such Lien the Issuer or such Restricted Subsidiary effectively provides that the Senior Notes shall be secured equally and ratably with (or prior and senior to, in the case of Liens with respect to Subordinated Indebtedness) such Indebtedness, so long as such Indebtedness shall be so secured.

*Commission Reports.* Whether or not required by the reporting requirements of Section 13 or 15(d) of the Exchange Act, so long as the Senior Notes are outstanding, the Issuer shall file with the Commission and provide the Trustee, Holders and prospective Holders (upon request) within 15 days after it files or is required to file them with the Commission, copies of its annual report and the information, documents and other reports that are specified in Sections 13 and 15(d) of the Exchange Act. In addition, the Issuer shall furnish to the Trustee and the Holders, promptly upon their becoming available, copies of the annual report to shareholders and any other information provided by the Issuer to its public shareholders generally. The Issuer also will comply with the other provisions of Section 314(a) of the TIA.

*Future Note Guarantors.* The Issuer shall cause each Restricted Subsidiary that becomes a guarantor of borrowings of the Issuer under the Credit Agreement to become a Note Guarantor, and, if applicable, to execute and deliver to the Trustee a supplemental guarantee pursuant to which such Restricted Subsidiary will guarantee payment of the Senior Notes.

*Limitation on Lines of Business.* The Issuer shall not, and shall not permit any of its Subsidiaries directly or indirectly to engage in any business other than business of the type engaged in at the date hereof and any business reasonably related, complementing or ancillary thereto or a reasonable expansion thereof.



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*Sale of Assets of the BRCOM Group.* Notwithstanding any provision contained herein, the execution and delivery of the Agreement for the Purchase and Sale of Assets dated as of February 22, 2003, as amended on June 6, 2003 and June 13, 2003 (the BCSI Purchase Agreement ) by and between BCSI, BCSIVA Inc. (f/k/a Broadwing Communications Services of Virginia, Inc.), Broadwing Communications Real Estate Services LLC, BRWSVCS LLC (f/k/a Broadwing Services LLC), IXC Business Services LLC, BRWL LLC (f/k/a Broadwing Logistics LLC), BTI Inc. (f/k/a Broadwing Telecommunications Inc.), IXC Internet Services, Inc., and MSM Associates, Limited Partnership, on the one side, and C III Communications, LLC, and C III Communications Operations, LLC, on the other side, and the performance by the Issuer and its Subsidiaries of all transactions contemplated thereby shall be permitted by, and shall not constitute a Default or Event of Default under, the Indenture.

*Fall Away Event.* In the event of the occurrence of a Fall Away Event

(a) The covenants described under Change of Control , Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock , Certain Covenants Restricted Payments , Certain Covenants Dividend and Other Payment Restrictions Affecting Subsidiaries , Certain Covenants Asset Dispositions , Certain Covenants Transactions with Affiliates , Certain Covenants Limitation on Issuance and Sales of Capital Stock of Subsidiaries , Certain Covenants Limitation on Liens , Certain Covenants Future Guarantors , Certain Covenants Limitation on Lines of Business , Certain Covenants Sale of Assets of the BRCOM Group and clause (3) of Merger and Consolidation and the definitions relevant thereto shall each no longer be in effect for the remaining term of the Senior Notes and any Note Guarantees then in effect shall be automatically released.

(b) From and after the date of the Fall Away Event, the Issuer will not, and will not permit any Subsidiary of the Issuer to, issue, assume or guarantee any Indebtedness of the type described in clauses (1), (2), (5), (6) (to the extent applicable to clauses (1), (2) or (5)) or (7) (to the extent applicable to clauses (1), (2), (5) or (6) (as previously limited in scope)) of the definition thereof (herein referred to as Debt ) if such Debt is secured by any Lien upon any Principal Property of the Issuer or any Subsidiary of the Issuer, whether owned at the date of the Fall Away Event or thereafter acquired, without effectively securing the Senior Notes equally and ratably with such Debt. The foregoing restriction does not apply to:

(1) Liens on any property acquired, constructed or improved after the date of the Fall Away Event (including Liens on Capital Stock) which are created or assumed within 24 months after such acquisition, construction or improvement (or within six months thereafter pursuant to a firm commitment for financing arrangements entered into within such 24 month period) to secure or provide for the payment of the purchase price or cost thereof incurred after the date of the Fall Away Event, or (ii) existing Liens on property acquired (including Liens on Capital Stock), *provided* such Liens shall not apply to any property (or Capital Stock) theretofore owned by the Issuer or a Subsidiary of the Issuer;

(2) Liens existing on any property (including Liens on Capital Stock) acquired from a Person merged with or into the Issuer or a Subsidiary of the Issuer;

(3) Liens on property (including Liens on Capital Stock) of any Person existing at the time it becomes a Subsidiary;

(4) Liens securing Debt owed by a Subsidiary of the Issuer to the Issuer or to another Subsidiary of the Issuer;

(5) Liens in favor of governmental bodies to secure advance or other payments pursuant to any contract or statute or to secure indebtedness incurred to finance the purchase price or cost of constructing or improving the property subject to such Liens;

(6) Liens securing tax exempt debt of the Issuer or a Subsidiary of the Issuer;

(7) banker's Liens and rights of offset of the holders of Indebtedness of the Issuer or Subsidiary of the Issuer on monies deposited by the Issuer or Subsidiary of the Issuer with such holders of Indebtedness in the Ordinary Course of Business of the Issuer or any such Subsidiary of the Issuer; or

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(8) Liens for extending, renewing or replacing Debt secured by any Lien referred to in the foregoing clauses (1) to (7) inclusive or in this clause or any Lien existing on the date of the Fall Away Event; *provided, however,* that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the Lien so extended, renewed or replaced (plus improvements on such property).

Such restriction does not apply to the issuance, assumption or guarantee by the Issuer or any Subsidiary of the Issuer of Debt secured by a Lien which would otherwise be subject to the foregoing restriction up to an aggregate amount which, together with all other secured Debt (not including secured Debt permitted under the foregoing exceptions) and the Value of Significant Sale and Leaseback Transactions existing at such time (other than Significant Sale and Leaseback Transactions the proceeds of which have been applied to the retirement of the Senior Notes or of Funded Debt or to the purchase of other Principal Property, and other than Significant Sale and Leaseback Transactions in which the property involved would have been permitted to be subject to a Lien under clause (1) above), does not exceed 15% of Consolidated Net Tangible Assets.

(c) From and after the date of the Fall Away Event, the Issuer will not, and will not permit any Subsidiary of the Issuer to, enter into any Significant Sale and Leaseback Transactions (except for leases between the Issuer and a Subsidiary of the Issuer or between Subsidiaries of the Issuer) unless the net proceeds of such sale are at least equal to the fair market value of the subject Principal Property and:

(1) the Issuer or such Subsidiary of the Issuer would be entitled to incur Debt secured by a Lien on the property to be leased without securing the Senior Notes pursuant to clause (1) of clause (b) above or

(2) the Value thereof would be an amount permitted under the last sentence of clause (b) above or

(3) the Issuer or any of its Subsidiaries applies an amount equal to the fair market value of such Principal Property

(a) to the retirement of Funded Debt of the Issuer or a Subsidiary of the Issuer or

(b) to the purchase of Principal Property (other than that involved in such Sale and Lease-back Transaction).

(d) Notwithstanding the preceding clauses (b) and (c), any Liens incurred or Significant Sale and Leaseback Transactions entered into prior to the date of the Fall Away Event shall be deemed permitted under such clauses whether or not such Liens and Significant Sale and Leaseback Transactions would otherwise be permitted to exist.

(e) For the purposes of clauses (a), (b), (c) and (d) above, the following definitions apply:

**Consolidated Net Tangible Assets** means the total of all the assets appearing on the consolidated balance sheet of the Issuer and its Subsidiaries less the following: (1) current liabilities, including liabilities for indebtedness maturing more than 12 months from the date of the original creation thereof but maturing within 12 months from the date of determination; (2) reserves for depreciation and other asset valuation reserves; (3) intangible assets such as goodwill, trademarks, trade names, patents, and unamortized debt discount and expense carried as an asset on said balance sheet; and (4) appropriate adjustments on account of minority interests of other persons holding stock in any Subsidiary of the Issuer.

**Fall Away Event** means the Senior Notes shall have achieved Investment Grade status and the Issuer delivers to the Trustee an Officers Certificate certifying the satisfaction of such condition.

**Funded Debt** means any Debt which by its terms matures at or is extendable or renewable at the sole option of the obligor without requiring the consent of the obligee to a date more than twelve months after the date of the creation of such Debt.

Investment Grade means, with respect to the Senior Notes, a credit rating of (i) at least Baa3 (or the equivalent) by Moody's Investors Service, Inc., and (ii) at least BBB- (or the equivalent) by

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Standard & Poor's Ratings Group, a division of McGraw Hill, Inc.; *provided* that neither of such rating or entities shall have announced a negative or similar outlook or announced or informed the Issuer that it is reviewing the rating of the Senior Notes for possible downgrading of the rating thereof.

**Principal Property** means any asset (including Capital Stock of a Subsidiary), whether owned at the date of the Fall Away Event or thereafter acquired, having a gross book value (without deductions of any applicable depreciation reserves) on the date as of which the determination is being made of more than 2.5% of Consolidated Net Tangible Assets.

**Significant Sale and Leaseback Transaction** means any arrangement with any Person providing for the leasing to the Issuer or any Subsidiary of the Issuer any Principal Property (except for temporary leases for a term, including any renewal thereof, of not more than three years and except for leases between the Issuer and a Subsidiary of the Issuer or between Subsidiaries of the Issuer), which Principal Property has been or is to be sold or transferred by the Issuer or such Subsidiary of the Issuer to such Person.

**Value** means with respect to a Significant Sale and Leaseback Transaction, as of any particular time, the amount equal to the greater of (1) the net proceeds from the sale or transfer of the property leased pursuant to such Sale and Leaseback Transaction or (2) the fair market value in the opinion of the Board of Directors of the Issuer of such property at the time of entering into such Sale and Leaseback Transaction, in either case divided first by the number of full years of the terms of the lease and then multiplied by the number of full years of such term remaining at the time of determination, without regard to any renewal or extension options contained in the lease.

## **Merger and Consolidation**

The Issuer will not consolidate with or merge with or into (whether or not the Issuer is the surviving entity), or directly and/or indirectly through its Subsidiaries sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties and assets of the Issuer and the Restricted Subsidiaries taken as a whole in one or more related transactions, to any other Person, unless:

(1) the resulting, surviving or transferee Person (the **Successor Issuer**) shall be a corporation or other legal entity organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and the Successor Company (if not the Issuer) shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of the Issuer under the Senior Notes and the Indenture;

(2) immediately after giving effect to such transaction (and treating any indebtedness which becomes an obligation of the Successor Company or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Company or such Restricted Subsidiary at the time of such transaction), no Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction, the Successor Company would be able to Incur an additional \$1.00 of Indebtedness under paragraph (a) of the covenant described under **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock**; and

(4) the Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) are permitted by and comply with the Indenture.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture, but the predecessor Company in the case of a conveyance, transfer or lease of all or substantially all its assets will not be released from the obligation to pay the principal of and interest on the Senior Notes.





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Notwithstanding the foregoing:

(A) any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Issuer or any Note Guarantor and

(B) the Issuer may merge with an Affiliate incorporated solely for the purpose of reincorporating the Issuer in another jurisdiction to realize tax or other benefits.

The restrictions contained in this Section Merger and Consolidation shall not apply to any disposition of properties or assets of the BRCOM Group.

**Defaults**

Each of the following is an Event of Default:

(1) a default in any payment of interest on any Senior Note when due and payable or in any payment of additional interest continued for 30 days,

(2) a default in the payment of principal of any Senior Note when due and payable at its Stated Maturity, upon required redemption or repurchase, upon declaration or otherwise,

(3) the failure of the Issuer or any Subsidiary to comply with its obligations under the covenant described under Merger and Consolidation above,

(4) the failure by the Issuer or any Subsidiary to comply for 30 days after notice with any of its obligations under the covenants described under Change of Control (other than a failure to purchase Senior Notes), or Certain Covenants above,

(5) the failure by the Issuer or any Subsidiary to comply for 60 days after notice with its other agreements contained in the Senior Notes or the Indenture,

(6) the failure by the Issuer or any Subsidiary to pay any Indebtedness within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default if the total amount of such Indebtedness unpaid or accelerated exceeds \$20 million or its foreign currency equivalent (the cross acceleration provision ),

(7) the rendering of any judgment or decree for the payment of money in excess of \$30 million or its foreign currency equivalent against the Issuer or a Subsidiary if such judgment or decree remains outstanding for a period of 60 days following such judgment and is not discharged, waived or stayed, and is not adequately covered by insurance or indemnities which have been cash collateralized (the judgment default provision ), and

(8) certain events of bankruptcy, insolvency or reorganization of the Issuer or a Significant Subsidiary (the bankruptcy provisions ).

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clauses (4) or (5) will not constitute an Event of Default until the Trustee notifies the Issuer or the Holders of at least 25% in principal amount of the outstanding Senior Notes notify the Issuer and the Trustee of the default and the Issuer does not cure such default within the time specified in clauses (4) or (5) hereof after receipt of such notice.

If an Event of Default (other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the outstanding Senior Notes by notice to the Issuer may declare the principal of and accrued but unpaid interest on

all the Senior Notes to be due and payable. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer occurs, the principal of and interest on all the Senior

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Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holders. Under certain circumstances, the Holders of a majority in principal amount of the outstanding Senior Notes may rescind any such acceleration with respect to the Senior Notes and its consequences.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Senior Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing,

(2) Holders of at least 25% in principal amount of the outstanding Senior Notes have requested the Trustee in writing to pursue the remedy,

(3) such Holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense,

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity and

(5) the Holders of a majority in principal amount of the outstanding Senior Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in principal amount of the outstanding Senior Notes will be given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

If a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each Holder notice of the Default within 30 days after it is known to a Trust Officer or written notice of it is received by the Trustee. Except in the case of a Default in the payment of principal of, premium (if any) or interest on any Senior Note (including payments pursuant to the redemption provisions of such Senior Note), the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of the holders. In addition, the Issuer will be required to deliver to the Trustee, within 90 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Issuer shall also comply with Section 314(a)(4) of the TIA.

**Amendments and Waivers**

Subject to certain exceptions, the Indenture or the Senior Notes may be amended with the written consent of the Holders of a majority in principal amount of the Senior Notes then outstanding and any past default or compliance with any provisions may be waived with the consent of the Holders of a majority in principal amount of the Senior Notes then outstanding. However, without the consent of each Holder of an outstanding Senior Note affected, no amendment may, among other things:

(1) reduce the amount of Senior Notes whose Holders must consent to an amendment,

(2) reduce the rate of or extend the time for payment of interest or any additional interest on any Senior Note,

(3) reduce the principal of or change the Stated Maturity of any Senior Note,



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(4) reduce the premium payable upon the redemption of any Senior Note or change the time at which any Senior Note may be redeemed as described under "Optional Redemption" above,

(5) make any Senior Note payable in money other than that stated in the Senior Note,

(6) impair the right of any Holder to receive payment of principal of, and interest or any additional interest on, such Holder's Senior Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Senior Notes,

(7) make any change in the amendment provisions which require each Holder's consent or in the waiver provisions,

(8) make any change in the ranking or priority of any Senior Note or Note Guarantee that would adversely affect the Holders, or

(9) release, other than in accordance with the Indenture, any Note Guarantee or collateral securing the Senior Notes.

Without the consent of any Holder, the Issuer, the Note Guarantors and the Trustee may amend the Indenture to:

(1) cure any ambiguity, omission, defect or inconsistency,

(2) provide for the assumption by a successor corporation of the obligations of the Issuer under the Indenture,

(3) provide for uncertificated Senior Notes in addition to or in place of certificated Senior Notes (*provided, however, that the uncertificated Senior Notes are issued in registered Form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Senior Notes are described in Section 163(f) (2) (B) of the Code*),

(4) add additional Guarantees with respect to the Senior Notes,

(5) secure the Senior Notes,

(6) add to the covenants of the Issuer for the benefit of the Holders or to surrender any right or power conferred upon the Issuer,

(7) make any change that does not adversely affect the rights of any Holder, subject to the provisions of the Indenture,

(8) provide for the issuance of the Exchange Notes or Additional Notes,

(9) comply with any requirement of the Commission in connection with the qualification of the Indenture under the TIA, or

(10) change the name or title of the Senior Notes, and any conforming changes related thereto.

The consent of the Holders will not be necessary to approve the particular form of any proposed amendment. It will be sufficient if such consent approves the substance of the proposed amendment.

After an amendment becomes effective, the Issuer is required to mail to Holders a notice briefly describing such amendment. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment.

**Transfer and Exchange**

A Holder will be able to transfer or exchange Senior Notes. Upon any transfer or exchange, the registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes required by law or permitted by the Indenture. The Issuer will not be required to transfer or exchange any Senior Note selected for redemption or to transfer or exchange any Senior Note for a period of 15 days prior to a selection of Senior Notes to be

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redeemed. The Senior Notes will be issued in registered form and the Holder will be treated as the owner of such Senior Note for all purposes.

### **Defeasance**

The Issuer may at any time terminate all its obligations under the Senior Notes and the Indenture ( legal defeasance ), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Senior Notes, to replace mutilated, destroyed, lost or stolen Senior Notes and to maintain a registrar and paying agent in respect of the Senior Notes.

In addition, the Issuer may at any time terminate:

(1) its obligations under the covenants described under Change of Control and Certain Covenants and

(2) the operation of the cross acceleration provision, the bankruptcy provisions with respect to Significant Subsidiaries and the judgment default provision described under Defaults above and the limitations contained in clause (3) under Merger and Consolidation above ( covenant defeasance ).

In the event that the Issuer exercises its legal defeasance option or its covenant defeasance option, each Note Guarantor will be released from all of its obligations with respect to its Note Guarantee.

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Senior Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercises its covenant defeasance option, payment of the Senior Notes may not be accelerated because of an Event of Default specified in clause (4), (6), (7) or (8) (with respect only to Significant Subsidiaries) under Defaults above or because of the failure of the Issuer to comply with clause (3) under Merger and Consolidation above.

In order to exercise either defeasance option, the Issuer must irrevocably deposit in trust (the defeasance trust ) with the Trustee money in an amount sufficient or U.S. Government Obligations, the principal of and interest on which will be sufficient, or a combination thereof sufficient, to pay the principal of, premium (if any) and interest on, and additional interest, if any, in respect of the Senior Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that Holders will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or other change in applicable Federal income tax law).

### **Concerning the Trustee**

The Bank of New York is the Trustee under the Indenture and has been appointed by the Issuer as Registrar and Paying Agent with regard to the Senior Notes.

### **Governing Law**

The Indenture and the Senior Notes are governed by, and construed in accordance with, the laws of the State of New York without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby.

### **Certain Definitions**

Acquired Indebtedness means, with respect to any specified Person, (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or becomes a Restricted Subsidiary of such specified Person, including, without limitation, Indebtedness Incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such



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specified Person, and (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person at the time such asset is acquired by such specified Person.

**Affiliate** means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, **control** (including, with correlative meanings, the terms **controlling**, **controlled by** and **under common control with**) used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided, however*, that, for purposes of the covenant described under **Certain Covenants Transactions with Affiliates** only, in the case of the Issuer or any of its Subsidiaries beneficial ownership of 10% or more of the Voting Stock in the Issuer or such Subsidiary, as the case may be, shall be deemed to be control; *provided, further*, that, for purposes of the covenant described under **Certain Covenants Transactions with Affiliates**, Cingular shall not be deemed to control CBW or its Subsidiaries solely by virtue of its ownership of more than 10% of the Voting Stock of CBW unless and until such time as Cingular shall own more than 110% of the percentage of Voting Stock of CBW that it owns as of the Closing Date. Notwithstanding the foregoing, in no event will any Holder, any lender under the Credit Agreement, any holder of the 7<sup>1</sup>/<sub>4</sub>% Senior Notes, the 7<sup>1</sup>/<sub>4</sub>% Notes, the 8<sup>3</sup>/<sub>8</sub>% Notes or the 16% Notes or any of their respective Affiliates be deemed to be an Affiliate of the Issuer or any of its Subsidiaries solely by virtue of purchasing or holding any such securities or being such a lender.

**Applicable Law** means all laws, statutes, rules, regulation and orders of, and legally binding interpretations by, any Governmental Authority any judgments, decrees, injunctions, writs, permits, orders or like governmental action of any Governmental Authority applicable to the Issuer or any of its Subsidiaries or any of their properties, assets or operation, excluding Environmental Laws.

**Applicable Premium** means, with respect to a Senior Note at any date of redemption, the greater of (i) 1.0% of the principal amount of such Senior Note and (ii) any excess of (A) the present value (discounted semi-annually) at such date of redemption of (1) the redemption price of such Senior Note at February 15, 2010 set forth in the first paragraph under **Optional Redemption** plus (2) all remaining required interest payments due on such Senior Note through February 15, 2010 (excluding accrued but unpaid interest to the date of redemption), computed using a discount rate equal to the Treasury Rate plus 50 basis points, over (B) the principal amount of such Senior Note.

**Asset Disposition** means the disposition by the Issuer or any Restricted Subsidiary of the Issuer whether by sale, issuance, lease (as lessor (other than under operating leases)), transfer, loss, damage, destruction, condemnation or other transaction (including any merger or consolidation) or series of related transactions of any of the following:

(1) any of the Capital Stock of any of the Issuer's Restricted Subsidiaries;

(2) all or substantially all of the assets of the Issuer or any of its Restricted Subsidiaries (it being understood and agreed that the disposition of the BRCOM Group or any assets of the BRCOM Group does not constitute a disposition of all or substantially all of the assets of the Issuer or any of its Restricted Subsidiaries); or

(3) any other assets of the Issuer or any of its Restricted Subsidiaries.

Notwithstanding the foregoing, **Asset Disposition** shall be deemed not to include:

(A) a transfer of assets by the Issuer to a Restricted Subsidiary of the Issuer, or by a Restricted Subsidiary of the Issuer to the Issuer or to another Restricted Subsidiary of the Issuer;

(B) an issuance of Capital Stock by a Subsidiary of the Issuer to the Issuer or to a Restricted Subsidiary of the Issuer;

(C) a Restricted Payment that is permitted by the covenant described under **Certain Covenants Restricted Payments** ;

(D) a Permitted Investment;



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(E) any conversion of Cash Equivalents into cash or any other Form of Cash Equivalents;

(F) any foreclosure on assets;

(G) sales or dispositions of past due accounts receivable or notes receivable in the Ordinary Course of Business;

(H) transactions permitted under Merger and Consolidation ;

(I) grants of credits and allowances in the Ordinary Course of Business;

(J) operating leases or the sublease of real or personal property or licenses of intellectual property, in each case, on commercially reasonable terms entered into in the Ordinary Course of Business;

(K) trade-ins or exchanges of equipment or other fixed assets;

(L) the sale and leaseback of any assets within 180 days of the acquisition thereof;

(M) sales of damaged, worn-out or obsolete equipment or assets that, in the Issuer's reasonable judgment, are no longer either used or useful in the business of the Issuer or its Subsidiaries;

(N) dispositions of inventory in the Ordinary Course of Business;

(O) the disposition of cash or investment securities in the ordinary course of management of the investment portfolio of the Issuer and its applicable Subsidiaries;

(P) sales of assets with a fair market value of less than \$500,000; or

(Q) sales of other assets with a fair market value not to exceed \$5 million in the aggregate in any fiscal year.

**Attributable Debt** in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value (discounted at the implicit rate of interest borne by the Senior Notes including any pay-in-kind interest and amortization discount) determined in accordance with GAAP of the obligation of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

**BCSI** means BCSI Inc. (f/k/a Broadwing Communications Services Inc.), a Subsidiary of BRCOM.

**Board** or **Board of Directors** means, as to any Person, the board of directors, the board of advisors or other similar governing body of such Person.

**BRCOM** means BRCOM Inc. (f/k/a Broadwing Communications Inc.), a Delaware corporation.

**BRCOM Group** means BRCOM and its Subsidiaries.

**Business Day** means each day which is not a Legal Holiday.

**Capital Expenditures** means, for any period and with respect to any Person, the aggregate of all expenditures by such Person and its Subsidiaries for the acquisition or leasing of fixed or capital assets or additions to fixed or capital assets (including replacements, capitalized repairs and improvements during such period) which should be capitalized under GAAP on a consolidated balance sheet of such Person and its Subsidiaries.

**Capitalized Lease Obligations** means, at the time any determination thereof is to be made, an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease.



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**Capital Stock** of any Person means any and all shares, interests, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities including those convertible into such equity.

**Cash Equivalents** means (1) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof; (2) commercial paper maturing no more than one year from the date of acquisition and, issued by a corporation organized under the laws of the United States that has a rating of at least A-1 from S&P or at least P-1 from Moody's; (3) time deposits maturing no more than thirty (30) days from the date of creation, certificates of deposit, money market deposits or bankers' acceptances maturing within one year from the date of acquisition thereof issued by, or overnight reverse repurchase agreements from, any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia having combined capital, surplus and undivided profits of not less than \$250,000,000; (4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (3) above; (5) deposits or investments in mutual or similar funds offered or sponsored by brokerage or other companies having membership in the Securities Investor Protection Corporation and having combined capital and surplus of not less than \$250,000,000; and (6) other money market accounts or mutual funds which invest primarily in the securities described above.

**CBW** means Cincinnati Bell Wireless LLC, an Ohio limited liability company.

**CBW Co.** means Cincinnati Bell Wireless Company, an Ohio corporation.

**Centralized Cash Management System** means the cash management system referred to in Section 5.02(f) (ix) of the Credit Agreement as in effect on October 31, 2003 and described in Schedule 5.01(r) thereof.

**Cingular** means Cingular Wireless LLC and its Affiliates.

**Closing Date** means the date of the Indenture.

**Code** means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

**Commission** means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the Closing Date such Commission is not existing and performing the duties now assigned to it under the Exchange Act, the body performing such duties at such time.

**Consolidated** or **consolidated** (including the correlative term **consolidating** or on a **consolidated basis**) when used with reference to any financial term in the Indenture, means the consolidation for two or more Persons of the amounts signified by such term for all such Persons, with intercompany items eliminated in accordance with GAAP.

**Consolidated Adjusted Debt** means the Indebtedness of the Issuer and its Restricted Subsidiaries (exclusive of Indebtedness of the type that could be Incurred under clause (6) or (8) or paragraph (b) under **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock**) determined on a consolidated basis in accordance with GAAP.

**Consolidated Adjusted Debt to EBITDA Ratio** means, as of any date of determination, the ratio of (a) Consolidated Adjusted Debt as of such date to (b) Consolidated EBITDA for the applicable four-quarter period ending on the last day of the most recently ended quarter for which consolidated financial statements of the Issuer and its Restricted Subsidiaries are available.

**Consolidated Adjusted Senior Debt to EBITDA Ratio** means, as of any date of determination, the ratio of (a) Consolidated Adjusted Debt excluding any Subordinated Indebtedness and Disqualified Capital Stock as of such date to (b) Consolidated EBITDA for the applicable four-quarter period ending on the last

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day of the most recently ended quarter for which consolidated financial statements of the Issuer and its Restricted Subsidiaries are available.

**Consolidated EBITDA** means for the applicable period of measurement, the Consolidated Net Income of the Issuer and its Restricted Subsidiaries on a consolidated basis, plus, without duplication, the following for the Issuer and its Restricted Subsidiaries to the extent deducted in calculating such Consolidated Net Income: (1) Consolidated Interest Expense for such period, plus (2) provisions for taxes based on income, plus (3) total depreciation expense, plus (4) total amortization expense, (5) other non-cash items reducing Consolidated Net Income (excluding any such non-cash item to the extent that it represents an accrual or reserve for potential cash items in any future period or amortization of a prepaid cash item) less other non-cash items increasing Consolidated Net Income (excluding any such non-cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period), plus (6) charges taken in accordance with SFAS 142, plus (7) all net cash extraordinary losses less net cash extraordinary gains.

**Consolidated Interest Expense** means for the applicable period of measurement of the Issuer and its Restricted Subsidiaries on a consolidated basis, the aggregate interest expense for such period determined in accordance with GAAP (including all commissions, discounts, fees and other charges in connection with standby letters of credit and similar instruments) for the Issuer and its Restricted Subsidiaries on a consolidated basis, but excluding all amortization of financing fees and other charges incurred by the Issuer and its Restricted Subsidiaries in connection with the issuance of Indebtedness.

**Consolidated Net Income** means for any period the net income (or loss) before provision for dividends on Preferred Stock of the Issuer and its Restricted Subsidiaries on a consolidated basis for such period determined in conformity with GAAP, but excluding, without duplication, the following clauses (1) through (6) to the extent included in the computations thereof:

(1) the income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary of the Issuer or is merged into or consolidated with the Issuer or any of its Restricted Subsidiaries or that Person's assets are acquired by the Issuer or any of its Restricted Subsidiaries;

(2) the income (or loss) of any Person (other than the Issuer or a Restricted Subsidiary) in which the Issuer or a Restricted Subsidiary has an interest except to the extent of the amount of dividends or other distributions actually paid to the Issuer or a Restricted Subsidiary (which amount shall be included in Consolidated Net Income);

(3) the income of any Restricted Subsidiary of the Issuer to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary (except to the extent of the amount of dividends or similar distributions actually lawfully paid to the Issuer or a Restricted Subsidiary);

(4) any after-tax gains or losses attributable to Asset Dispositions or returned surplus assets of any pension plan;

(5) (to the extent not included in clauses (1) through (4) above) (i) any net extraordinary gains or net extraordinary losses or (ii) any net non-recurring gains or non-recurring losses to the extent attributable to Asset Dispositions, the exercise of options to acquire Capital Stock and the extinguishment of Indebtedness; and

(6) cumulative effect of a change in accounting principles.

**Consolidated Total Assets** means, as at any date of determination, the aggregate amount of assets reflected on the consolidated balance sheet of the Issuer and its Restricted Subsidiaries prepared in accordance with GAAP most recently delivered to the Holders pursuant to the covenant described under **Certain Covenants** Commission Reports .

**Convertible Preferred Stock** means the 3/4% Cumulative Convertible Preferred Stock of the Issuer.



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**Credit Agreement** means the Credit Agreement, to be dated as of February 16, 2005, by and among the Issuer, certain subsidiary guarantors party thereto, the lenders party thereto from time to time, Bank of America, N.A., as administrative agent, PNC Bank, N.A., as swingline lender, and certain other agents, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents), in each case as such agreement or agreements may be amended (including any amendment and restatement thereof), restated, supplemented, replaced, restructured, waived, Refinanced or otherwise modified from time to time, including any amendment, supplement, modification or agreement adding Subsidiaries of the Issuer as additional borrowers or guarantors thereunder or extending the maturity of, Refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or any successor or replacement agreement, and whether by the same or any other agent, lender or group of lenders or one or more agreements, contracts, indentures or otherwise.

**Credit Documents** means the Credit Agreement, any Hedge Agreement and other documents related thereto, and all certificates, instruments, financial and other statements and other documents and agreements made or delivered from time to time in connection therewith and related thereto.

**Currency Agreement** means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect the Issuer or any Subsidiary of the Issuer against fluctuations in currency values.

**Default** means any event, act or condition that is, or with the giving of notice, lapse of time or both would constitute, an Event of Default.

**Disqualified Capital Stock** means that portion of any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event (other than an event which would constitute a Change of Control or Asset Disposition), matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the sole option of the holder thereof (except, in each case, upon the occurrence of a Change of Control or Asset Disposition) on or prior to the Stated Maturity.

**88% Notes** means the 88% Senior Subordinated Notes due 2014 of the Issuer.

**Environmental Laws** means all applicable foreign, federal, state or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative orders, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authorities, in each case relating to environmental, health, safety and land use matters; including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Clean Air Act, the Federal Water Pollution Control Act of 1972, the Solid Waste Disposal Act, the Federal Resource Conservation and Recovery Act, the Toxic Substances Control Act, and the Emergency Planning and Community Right-to-Know Act.

**Equity Offering** means a public or private sale for cash of Capital Stock (other than Disqualified Stock or Preferred Stock) of the Issuer.

**Exchange Act** means the Securities Exchange Act of 1934, as amended.

**Exchange Guarantee** means each Guarantee of the obligations with respect to the Exchange Notes issued by a Person.

**Exchange Note** means the senior debt securities to be issued by the Issuer pursuant to the Registration Rights Agreement. Exchange Note, as used in this section, means the New Senior Notes.

**Existing Indebtedness** means all Indebtedness of the Issuer and its Restricted Subsidiaries existing as of the Closing Date (after giving effect to the redemption, repurchase, repayment or prepayment of Indebtedness out of the proceeds of the Senior Notes, but excluding any Indebtedness outstanding under the Credit Documents).



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fair market value means, with respect to any asset or property, the price which could be negotiated in an arm's-length transaction between a willing seller and a willing and able buyer. Unless otherwise expressly required elsewhere herein, fair market value will be determined in good faith and, for transactions involving an aggregate consideration greater than \$10 million, by resolution of the Board of Directors of the Issuer, and any such determination shall be conclusive absent a manifest error.

fiscal year means a fiscal year of the Issuer and its Restricted Subsidiaries ending on December 31 of any calendar year.

GAAP means United States generally accepted accounting principles as of the Closing Date, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entities as have been approved by a significant segment of the accounting profession.

Governmental Authority means (a) the government of the United States of America or any State or other political subdivision thereof, (b) any government or political subdivision of any other jurisdiction in which the Issuer or any of its Subsidiaries conducts all or part of its business, or which properly asserts jurisdiction over any properties of the Issuer or any of its Subsidiaries or (c) any entity properly exercising executive, legislative, judicial, regulatory or administrative function of any such government.

Guarantee means a guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

Hedge Agreements means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other hedging agreements.

Hedge Bank means any lender party under the Credit Agreement or an Affiliate of such a lender party in its capacity as a party to a Secured Hedge Agreement.

Holder means the Person in whose name a Senior Note is registered at the Registrar.

Incur means create, incur, issue, assume, Guarantee or otherwise become directly or indirectly liable, contingently or otherwise (including by operation of law).

Indebtedness means, with respect to any Person on any date of determination, without duplication:

- (1) the principal of and premium (if any) in respect of indebtedness of such Person for borrowed money;
- (2) the principal of and premium (if any) in respect of indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all Capitalized Lease Obligations and all Attributable Debt of such Person;
- (4) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations and all obligations under any title retention agreement, in each case to the extent the purchase price is due more than six months from the date the obligation is Incurred (but excluding trade accounts payable and other accrued liabilities arising in the Ordinary Course of Business);
- (5) all obligations for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction;
- (6) Guarantees and other contingent obligations in respect of Indebtedness referred to in clauses (1) through (5) above and clause (8) below;
- (7) all obligations of any other Person of the type referred to in clauses (1) through (6) which are secured by any Lien on any property or asset of such Person, the amount of such obligation being deemed



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to be the lesser of the fair market value of such property or asset or the amount of the obligation so secured;

(8) all obligations under Currency Agreements and all Interest Swap Obligations of such Person; and

(9) all obligations represented by Disqualified Capital Stock of such person.

**Independent Qualified Party** means an investment banking firm, accounting firm or appraisal firm, in each case, of national standing; *provided, however*, that such firm is not an Affiliate of the Issuer; and, *provided, further*, that for transactions involving consideration of \$100,000,000 or more, the term **Independent Qualified Party** shall be limited to an investment banking firm of national standing only, unless, with respect to any such transaction, (x) the Issuer delivers to the Trustee and the Required Holders an Officers Certificate to the effect that no investment bank will opine on commercially reasonable terms on such transaction and that it proposes instead to engage an accounting firm of national standing (and stating the identity of such accounting firm) and (y) within fifteen (15) days after the delivery of such Officers Certificate the Issuer does not receive a written notice from the Required Holders reasonably objecting to the Issuer's proposal set forth in the Officers Certificate, in which case the term **Independent Qualified Party** for such transaction may also include such accounting firm.

**Interest Swap Obligations** means the Obligations of any Person pursuant to any arrangement with any other Person, whereby, directly or indirectly, such Person is entitled to receive from time to time periodic payments calculated by applying either a floating or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such other Person calculated by applying a fixed or a floating rate of interest on the same notional amount and shall include, without limitation, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or of which it is a beneficiary.

**Investment** means (a) any direct or indirect purchase or other acquisition by the Issuer or any of its Restricted Subsidiaries of any beneficial interest in, including stock, partnership interest or other Capital Stock of, or ownership interest in, any other Person; and (b) any direct or indirect loan, advance or capital contribution by the Issuer or any of its Restricted Subsidiaries to any other Person, including all indebtedness and accounts receivable from that other Person that did not arise from sales to or services provided to that other Person in the Ordinary Course of Business. For purposes of the covenant described under **Certain Covenants Restricted Payments** :

(1) **Investment** shall include and be valued at the fair market value of the net assets of any Restricted Subsidiary of the Issuer (to the extent of the Issuer's percentage ownership therein) at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary of the Issuer and shall exclude the fair market value of the net assets of any Unrestricted Subsidiary of the Issuer (to the extent of the Issuer's percentage ownership therein) at the time that such Unrestricted Subsidiary is designated a Restricted Subsidiary of the Issuer; and

(2) the amount of any Investment shall be the original cost of such Investment plus the costs of all additional Investments by the Issuer or any of its Restricted Subsidiaries, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment, reduced by the payment of dividends or distributions in connection with such Investment or any other amounts received in respect of such Investment; *provided* that no such payment of dividends or distributions or receipt of any such other amounts shall reduce the amount of any Investment if such payment of dividends or distributions or receipt of any such amounts would be included in Consolidated Net Income.

**Legal Holiday** means a Saturday, a Sunday or a day on which banking institutions in New York or Ohio or at a place of payment are authorized by law, regulation or executive order to remain closed. If any payment date in respect of the Senior Notes is a Legal Holiday at a place of payment, payment may be made

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at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

**Lien** means any lien, mortgage, pledge, security interest, charge, encumbrance or governmental levy or assessment of any kind, whether voluntary or involuntary (including any conditional sale or other title retention agreement and any lease in the nature thereof).

**Net Cash Proceeds**, with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

**Net Proceeds** means cash proceeds actually received by the Issuer or any of its Restricted Subsidiaries from any Asset Disposition (including insurance proceeds, awards of condemnation, and payments under notes or other debt securities received in connection with any Asset Disposition), net of (1) the costs of such sale, issuance, lease, transfer or other disposition (including all legal, title and recording tax expenses, commissions and other fees and expenses incurred and all taxes required to be paid or accrued as a liability under GAAP as a consequence of such sale, lease or transfer), (2) amounts applied to repayment of Indebtedness (other than revolving credit Indebtedness under the Credit Agreement, without a corresponding reduction in the revolving credit commitment) secured by a Lien on the asset or property disposed of, (3) if such Asset Disposition involves the sale of a discrete business or product line, any accrued liabilities of such business or product line required to be paid or retained by the Issuer or any of its Restricted Subsidiaries as part of such disposition, (4) appropriate amounts to be provided by the Issuer or a Restricted Subsidiary, as the case may be, as a reserve, in accordance with GAAP, against any liabilities associated with an Asset Disposition and retained by the Issuer or such Restricted Subsidiary, as the case may be, after such Asset Disposition, including, without limitation, pension and benefit liabilities, liabilities related to environmental matters or liabilities under any indemnification obligations associated with such Asset Disposition and (5) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition, but only to the extent required by constituent documents of such Subsidiary or such joint venture.

**Note Guarantee** as used in this section means each Guarantee of the obligations with respect to the Senior Notes issued by a Person pursuant to the terms of the Indenture.

**Note Guarantor** means any Person that has issued a Note Guarantee.

**Obligations** means all obligations for principal, premium (if any), interest, penalties, fees, indemnification, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

**Officers Certificate** of the Issuer means a certificate signed on behalf of the Issuer by two Persons, one of which shall be any of the following: the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Chief Accounting Officer or the Treasurer (or any such other officer that performs similar duties) of the Issuer, and the other one shall be any of the following: the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, any Vice President, the Chief Financial Officer, the Chief Accounting Officer, the Treasurer, the Assistant Treasurer, Controller, the Secretary or an Assistant Secretary (or any such other officer that performs similar duties) of the Issuer. One of the officers signing an Officers Certificate described in the penultimate sentence under **Defaults** shall be the principal executive, financial or accounting officer or treasurer of the Issuer.

**Opinion of Counsel** means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Issuer or the Trustee.

**Ordinary Course of Business** means, in respect of any transaction involving the Issuer or any Restricted Subsidiary of the Issuer, the ordinary course of such Person's business, as conducted by any such Person in accordance with past practice and undertaken by such Person in good faith.

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**Permits** means all licenses, permits, certificates of need, approvals and authorizations from all Governmental Authorities required to lawfully conduct a business.

**Permitted Acquisition** means the purchase by the Issuer or a Restricted Subsidiary of the Issuer of all or substantially all of the assets of a Person whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Restricted Subsidiaries were engaged on the Closing Date, or any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person, if as a result of such Investment (1) such person and each Subsidiary of such Person becomes a Restricted Subsidiary of the Issuer whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Restricted Subsidiaries were engaged on the Closing Date or (2) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, a Restricted Subsidiary of the Issuer and whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Subsidiaries were engaged on the Closing Date.

**Permitted Adjustments** means, for the purpose of calculating the Leverage Test, pro forma adjustments arising out of events (including cost savings resulting from head count reduction, closure of facilities and similar restructuring charges) which are directly attributable to a specific transaction, are factually supportable and are expected to have a continuing impact, which would be permitted by Article 11 of Regulation S-X promulgated under the Securities Act and as interpreted by the staff of the Commission; *provided* that such adjustments are set forth in an Officers Certificate signed by the Issuer's chief financial officer and another officer which states (1) the amount of such adjustment or adjustments, (2) that such adjustment or adjustments are based on the reasonable good faith beliefs of the officers executing such Officers Certificate at the time of such execution and (3) that any related Incurrence of Indebtedness is permitted pursuant to the Indenture.

**Permitted Asset Swap** means any transfer of properties or assets by the Issuer or any of its Restricted Subsidiaries in which the consideration received by the transferor consists of like properties or assets to be used in the business of the Issuer or its Restricted Subsidiaries in the same or similar manner as such transferred properties or assets; *provided* that (1) the fair market value (determined in good faith by the Board of Directors of the Issuer) of properties or assets received by the Issuer or any of its Restricted Subsidiaries in connection with such Permitted Asset Swap is at least equal to the fair market value (determined in good faith by the Board of Directors of the Issuer) of properties or assets transferred by the Issuer or such Restricted Subsidiary in connection with such Permitted Asset Swap and (2) the aggregate fair market value of assets transferred by the Issuer in connection with all Permitted Asset Swaps after the Closing Date does not exceed 10% of Consolidated Total Assets.

**Permitted Investments** means:

- (1) (A) any Investment in (including, without limitation, loans and advances to) the Issuer or a Restricted Subsidiary of the Issuer whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Subsidiaries were engaged in on the date of such Investment and (B) any acquisition by the Issuer or a Restricted Subsidiary of the Issuer of beneficial interest in a Restricted Subsidiary of the Issuer from another Restricted Subsidiary of the Issuer or the Issuer;
- (2) any Investment in Cash Equivalents or the Senior Notes;
- (3) any Investment related to or arising out of a Permitted Acquisition;
- (4) any Investment which results from the receipt of non-cash consideration from an asset sale made pursuant to and in compliance with the provisions of the covenant described under Certain Covenants Asset Dispositions or from any sale or other disposition of assets not constituting an Asset Disposition;

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(5) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the Ordinary Course of Business;

(6) receivables owing to the Issuer or any Restricted Subsidiary if created or acquired in the Ordinary Course of Business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;

(7) loans and advances to employees made in the Ordinary Course of Business not to exceed \$2 million in the aggregate at any time outstanding; *provided, however*, for purposes of this definition, advances will not restrict advances for travel, moving or relocation expense to employees advanced and repaid in the Ordinary Course of Business;

(8) loans and advances not to exceed \$2 million at any time outstanding to employees of the Issuer or its Subsidiaries for the purpose of funding the purchase of Capital Stock of the Issuer by such employees;

(9) any Investments received as part of the settlement of litigation or in satisfaction of extensions of credit to any Person otherwise permitted under the Indenture pursuant to the reorganization, bankruptcy or liquidation of such Person or a good faith settlement of debts by said Person;

(10) any Investment existing on the Closing Date, any Investment received as a distribution in respect of such existing Investment and any Investment received in exchange for such existing Investment; *provided* that, in the case of an exchange, the fair market value (as determined in good faith by the Board of Directors of the Issuer) of the Investment being exchanged is at least equal to the fair market value (as determined in good faith by the Board of Directors of the Issuer) of the Investment for which such Investment is being exchanged;

(11) Investments of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary of the Issuer or at the time such Person merges or consolidates with the Issuer or any of its Restricted Subsidiaries, in either case in compliance with the Indenture; *provided* such investments were not made by such Person in connection with or in anticipation or contemplation of such Person becoming a Restricted Subsidiary of the Issuer or such merger or consolidation;

(12) Investments in stock, obligations or securities received in settlement of debts created in the Ordinary Course of Business or in satisfaction of judgments;

(13) Investments by the Issuer or any Restricted Subsidiary pursuant to an Interest Rate Swap Obligation or a Currency Agreement permitted by clauses (6) or (8) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ;

(14) Investments consisting of debits and credits between BRFS LLC and the Issuer, its Restricted Subsidiaries and its Unrestricted Subsidiaries pursuant to the Centralized Cash Management System;

(15) Investments consisting of loans, advances and payables due from suppliers or customers made by the Issuer or its Restricted Subsidiaries in the Ordinary Course of Business;

(16) Investments that may be deemed to arise out from the cashless exercise by employees of the Issuer of rights, options or warrants to purchase Capital Stock of the Issuer;

(17) Investments the consideration paid for which consists solely of Capital Stock (other than Disqualified Capital Stock) of the Issuer;

(18) Investments in an aggregate amount not in excess of 5% of the Consolidated Total Assets for any Investments valued as of the date such Investment is made, including, without limitation, joint ventures; and

(19) Investments the consideration for which was paid by a Person other than the Issuer or any of its Restricted Subsidiaries, without recourse to the Issuer or its Restricted Subsidiaries.

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Permitted Liens means:

- (1) Liens to secure the performance of statutory obligations, surety or appeal bonds, letters of credit or other obligations of a like nature incurred in the Ordinary Course of Business;
- (2) Liens for taxes, assessments and governmental charges, levies or claims (x) that are not yet due and payable or (y) which are due and payable and are being contested in good faith by appropriate proceedings so long as such proceedings stay enforcement of such Liens;
- (3) any Lien arising out of a judgment or award not constituting an Event of Default;
- (4) statutory Liens of landlords, carriers, warehousemen, mechanics, materialmen, workmen, repairmen and other similar liens imposed by law, which are incurred in the Ordinary Course of Business for sums not more than thirty (30) days delinquent or which are being contested in good faith by appropriate proceedings so long as such contest stays enforcement of such Liens;
- (5) survey exceptions, easements, rights-of-way, zoning restrictions and other similar charges or encumbrances in respect of real property not interfering in any material adverse respect with the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries;
- (6) any interest or title of a lessor under any Capitalized Lease Obligation; *provided* that such Liens do not extend to any property or asset which is not leased property subject to such Capitalized Lease Obligation;
- (7) Liens securing Indebtedness permitted pursuant to clause (3) of paragraph (b) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; *provided, however*, that in the case of purchase money Indebtedness (a) such Indebtedness shall not exceed the cost of the property or assets so acquired, constructed, repaired, added to or improved and shall not be secured by any other property or assets of the Issuer or any Restricted Subsidiary of the Issuer and (b) the Lien securing such Indebtedness shall be created within 180 days after the date of such acquisition or, completion of construction, repair, improvement, addition or commencement of full operation of the property subject to the Lien or, in the case of a Refinancing of any purchase money Indebtedness, within 180 days of such Refinancing;
- (8) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;
- (9) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof;
- (10) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;
- (11) Liens arising from filing Uniform Commercial Code financing statements regarding leases;
- (12) Liens in existence on the Closing Date;
- (13) Liens on property or shares of Capital Stock of another Person at the time such other Person becomes a Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such other Person becoming a Subsidiary;



(14) leases, subleases, licenses and sublicenses of the type referred to in clause (J) in the second sentence of the definition of **Asset Disposition** granted to third parties in the Ordinary Course of Business;

(15) banker's liens and rights of offset of the holders of Indebtedness of the Issuer or any Restricted Subsidiary on monies deposited by the Issuer or any Restricted Subsidiary with such holders of indebtedness in the Ordinary Course of Business of the Issuer or any such Restricted Subsidiary;

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(16) Liens securing obligations under Interest Swap Obligations or Currency Agreements so long as such obligations relate to Indebtedness that is, and is permitted under the Indenture, to be secured by a Lien on the same property securing such obligations;

(17) Liens to secure any Refinancing (or successive Refinancings) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (12) and (13); *provided, however*, that (i) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements to or on such property) and (ii) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness secured by Liens described under clauses (12) and (13) at the time the original Lien became a Permitted Lien under the Indenture and (B) an amount necessary to pay any fees and expenses, including premiums related to such Refinancings;

(18) pledges or deposits to secure obligations under workers' compensation laws or similar legislation or to secure public or statutory obligations;

(19) Liens on property at the time such Person or any of its Subsidiaries acquires the property, including any acquisition by means of a merger or consolidation with or into such Person or a Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such acquisition; *provided, further, however*, that the Liens may not extend to any other property owned by such Person or any of its Subsidiaries;

(20) other Liens that do not, in the aggregate, secure obligations in an aggregate amount in excess of 5% of Consolidated Total Assets valued as of the date of the Incurrence of any such obligation; and

(21) Liens securing Indebtedness Incurred pursuant to clause (14) of subsection (b) of the Incurrence of Indebtedness and Issuance of Preferred Stock covenant.

Permitted Refinancing Indebtedness means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to Refinance, other Indebtedness of any such Person; *provided* that (1) the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount plus accrued interest and premium, if any, of the Indebtedness so exchanged or refinanced (plus fees); (2) such Permitted Refinancing Indebtedness has a final maturity date on or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being exchanged or refinanced; (3) if the Indebtedness being exchanged or refinanced is subordinated in right of payment to the Senior Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Senior Notes on terms at least as favorable to the holders of the Senior Notes as those contained in the documentation governing the Indebtedness being exchanged or refinanced; and (4) such Permitted Refinancing Indebtedness is incurred by the Issuer or the person who is the obligor on the Indebtedness being exchanged or Refinanced. Permitted Refinancing Indebtedness shall not include Indebtedness Incurred to Refinance Indebtedness originally Incurred in violation of the Indenture or pursuant to clause (3), (5), (6), (7), (8), (10) or (11) of paragraph (b) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock .

Person means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any entity or substantially all of the assets of any such entity, subdivision or business).

Preferred Stock of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation, and shall include the 6<sup>1</sup>/<sub>4</sub>% Convertible Preferred Stock of the Issuer.

principal of a Senior Note means the principal of the Senior Note plus the premium, if any, payable on the Senior Note which is due or overdue or is to become due at the relevant time.

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**Purchase Agreement** means the Purchase Agreement, dated as of February 2, 2005, by and among the Issuer, the Note Guarantors and Banc of America Securities LLC as representative of the Initial Purchasers.

**Refinance** means, in respect of any security or Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue a security or Indebtedness in exchange or replacement for, such security or indebtedness in whole or in part. **Refinanced** and **Refinancing** shall have correlative meanings.

**Registration Rights Agreement** means the Exchange and Registration Rights Agreement to be dated as of the Closing Date among the Issuer, the Note Guarantors and Banc of America Securities LLC as representative of the Initial Purchasers.

**Required Holders** means Holders holding more than 50% of the then outstanding aggregate principal amount at Maturity of the Senior Notes (exclusive of Senior Notes then owned directly or indirectly by the Issuer, or any of its Subsidiaries or Affiliates).

**Responsible Officer** means the chief executive officer, the president, the chief financial officer, the principal accounting officer or the treasurer (or the equivalent of any of the foregoing) of the Issuer or any of its Subsidiaries or any other officer, partner or member (or person performing similar functions) of the Issuer or any of its Subsidiaries responsible for overseeing the administration of, or reviewing compliance with, all or any portion of the Indenture.

**Restricted Investment** means any Investment other than a Permitted Investment.

**Restricted Subsidiary** of any Person means any Subsidiary of such Person which at the time of determination is not an Unrestricted Subsidiary.

**Sale and Leaseback Transaction** means any direct or indirect arrangement with any Person or to which any such Person is a party, providing for the leasing to the Issuer or a Restricted Subsidiary of any property, whether owned by the Issuer or any Restricted Subsidiary at the Closing Date or later acquired, which has been or is to be sold or transferred by the Issuer or such Restricted Subsidiary to such Person or any other Person from whom funds have been or are to be advanced by such Person on the security of such property.

**Secured Indebtedness** means any Indebtedness secured by a Lien.

**74% Notes** means the 74% Senior Notes due 2013 of the Issuer.

**74% Senior Notes** means those certain 74% Senior Notes due 2023 of the Issuer issued pursuant to an indenture dated as of July 1, 1993 in the aggregate principal amount of \$50,000,000, and any such notes issued in exchange or replacement therefor.

**Significant Subsidiary** means any Restricted Subsidiary that would be a Significant Subsidiary of the Issuer within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC.

**16% Notes** means the 16% Senior Subordinated Discount Notes due 2009 of the Issuer.

**16% Notes Indenture** means the indenture relating to the 16% Notes dated as of March 26, 2003, among the Issuer, the Guarantors party thereto, and The Bank of New York as Trustee.

**Spectrum Assets** means the E-Block spectrum licenses granted by the Federal Communications Commission or any spectrum license owned by CBW Co. for which the E-Block may be exchanged.

**Stated Maturity** when used with respect to any Senior Note or any installment of interest thereon, means the date specified in the Indenture or such Senior Note as the scheduled fixed date on which the principal of such Senior Note or such installment of interest is due and payable and shall not include any contingent obligation to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for payment thereof.

**Subordinated Indebtedness** of the Issuer means (1) the 16% Notes and (2) any Indebtedness of the Issuer permitted under the Indenture which is expressly subordinated to and junior to the payment and performance of the Senior Notes. **Subordinated Indebtedness** of a Note Guarantor has a correlative meaning.

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**Subsidiary** means with respect to any Person (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof) and (2) any partnership (A) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (B) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof). Any Person becoming a Subsidiary of the Issuer after the Closing Date shall be deemed to have Incurred all of its outstanding Indebtedness on the date it becomes a Subsidiary.

**TIA** means the Trust Indenture Act of 1939 (15 U.S.C. §§ 77aaa-77bbb) as amended from time to time.

**Treasury Rate** means, with respect to a redemption date, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to such redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to February 15, 2010; *provided, however*, that if the period from such redemption date to February 15, 2010 is not equal to the constant maturity of the United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from such redemption date to February 15, 2010 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

**Trust Officer** means, when used with respect to the Trustee, the president, any vice president (whether or not designated by a number or a word or words added before or after the title *vice president*), the secretary, any assistant secretary, the treasurer, any assistant treasurer, or any other officer of the Trustee in its Corporate Trust Administration Department customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

**Trustee** means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

**Unrestricted Subsidiary** means:

(1) any Subsidiary of the Issuer that at the time of determination shall be or continues to be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors may designate any Subsidiary of the Issuer (including any newly acquired or newly formed Subsidiary of the Issuer) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock of, or owns or holds any Lien on any property of, the Issuer or any other Subsidiary of the Issuer that is not a Subsidiary of the Subsidiary to be so designated; *provided* that:

(A) the Issuer certifies to the Holders that such designation complies with the covenant described under **Certain Covenants** **Restricted Payments**; and

(B) each Subsidiary to be designated and each of its Subsidiaries has not at the time of designation, and does not thereafter, Incur any Indebtedness pursuant to which the Lender has recourse to any of the assets of the Issuer or any of its Restricted Subsidiaries.

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The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however*, that immediately after giving effect to such designation:

(x) the Issuer could Incur \$1.00 of additional Indebtedness under paragraph (a) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock; and

(y) immediately before and immediately after giving effect to such designation, no Default or Event of Default shall have occurred and be continuing.

Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of such Board of Directors giving effect to such designation and an Officers Certificate certifying that such designation complied with the foregoing provisions.

U.S. Government Obligations means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable or redeemable at the issuer's option.

Voting Stock of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Weighted Average Life to Maturity means, when applied to any Indebtedness at any date, the number of years obtained by dividing (i) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (ii) the then outstanding principal amount of such Indebtedness.

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**DESCRIPTION OF THE SENIOR SUBORDINATED NOTES**

Definitions of certain terms used in this Description of the Senior Subordinated Notes may be found under the heading Certain Definitions. For purposes of this section, the term Issuer refers only to Cincinnati Bell Inc. and not to any of its subsidiaries. Certain of the Issuer's subsidiaries guarantee the Senior Subordinated Notes and therefore are subject to many of the provisions contained in this Description of the Senior Subordinated Notes. Each subsidiary which guarantees the Senior Subordinated Notes is referred to in this section as a Note Guarantor. Each such guarantee is termed a Note Guarantee. Defined terms used in this section apply only to the Description of the Senior Subordinated Notes and not to the Description of the Senior Notes found in another section of this prospectus.

The Issuer issued the Original Senior Subordinated Notes under an indenture, dated as of November 19, 2003 (for purposes of this section, the Indenture), among the Issuer, the Note Guarantors and The Bank of New York, as Trustee (the Trustee), a copy of which has been filed as an exhibit to the registration statement of which this prospectus forms a part. The Senior Subordinated Notes offered hereby will be of the same series of notes as the \$540 million in aggregate principal amount of 8<sup>3</sup>/<sub>8</sub>% Senior Subordinated Notes due 2014 issued by the Issuer on November 19, 2003 under the Indenture (for purposes of this section only, the 2003 Notes and, together with the Senior Subordinated Notes offered hereby, for purposes of this section only, the Senior Subordinated Notes). Upon completion of the issuance of the Original Senior Subordinated Notes, \$640 million in aggregate principal amount of the series was outstanding (prior to giving effect to the Interest Rate Swaps). The Original Senior Subordinated Notes will not trade fungibly with the registered 2003 Notes. Following consummation of the exchange offer, the New Senior Subordinated Notes (which are sometimes referred to in this section as Exchange Notes) are expected to trade fungibly with the registered 2003 Notes and bear the same CUSIP number as the registered 2003 Notes. The Original Senior Subordinated Notes and the New Senior Subordinated Notes will, together with the 2003 Notes and the notes issued by the Issuer in exchange for the 2003 Notes, constitute a single class of notes under the Indenture for all purposes including any vote submitted to holders. The Indenture contains provisions which define your rights under the Senior Subordinated Notes. In addition, the Indenture governs the obligations of the Issuer and of each Note Guarantor under the Senior Subordinated Notes. The terms of the Senior Subordinated Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA.

The New Senior Subordinated Notes will be issued under the same Indenture and will be identical in all material respects to the Original Senior Subordinated Notes, except that the New Senior Subordinated Notes have been registered under the Securities Act and are free of any obligation regarding registration, including the payment of additional interest upon failure to file or have declared effective an exchange offer registration statement or to consummate an exchange offer by certain dates. Unless specifically stated to the contrary, the following description applies equally to the New Senior Subordinated Notes and the Original Senior Subordinated Notes.

The following description is meant to be only a summary of certain provisions of the Indenture. It does not restate the terms of the Indenture in their entirety. We urge that you carefully read the Indenture as it, and not this description, governs your rights as Holders.

**Overview of the Senior Subordinated Notes and the Note Guarantees**

The Senior Subordinated Notes:

are general unsecured senior subordinated obligations of the Issuer;

rank junior in right of payment to all existing and future Senior Indebtedness of the Issuer, including the 16% Notes;

are senior in right of payment to all existing and future Subordinated Indebtedness of the Issuer;

rank equally in right of payment with all existing and future Senior Subordinated Indebtedness of the Issuer and the Issuer's guarantee of Cincinnati Bell Telephone's 6.30% Debentures, but not the 16% Notes;

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are effectively subordinated to any Secured Indebtedness of the Issuer and its Subsidiaries to the extent of the value of the assets securing such Indebtedness; and

are effectively subordinated to all liabilities (including trade payables) and Preferred Stock of each Subsidiary of the Issuer that is not a Note Guarantor.

**The Note Guarantors**

The Senior Subordinated Notes are guaranteed by each Restricted Subsidiary of the Issuer that Guarantees borrowings by the Issuer under the Credit Agreement.

The Note Guarantee of each Note Guarantor:

is a general unsecured senior subordinated obligation of such Note Guarantor;

ranks junior in right of payment to all existing and future Senior Indebtedness of such Note Guarantor, including its Guarantee of the 16% Notes;

is senior in right of payment to all existing and future Subordinated Indebtedness of such Note Guarantor;

ranks equally in right of payment with all existing and future Senior Subordinated Indebtedness of such Note Guarantor other than its Guarantee of the 16% Notes;

is effectively subordinated to any Secured Indebtedness of such Note Guarantor and its Subsidiaries to the extent of the value of the assets securing such Indebtedness.

Although the indenture contains limitations on the amount of additional Indebtedness that the Issuer or any Note Guarantor may Incur, under certain circumstances the amount of such Indebtedness could be substantial and, in any case, such Indebtedness may be Senior Indebtedness. See Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock below.

The Senior Subordinated Notes are not guaranteed by Restricted Subsidiaries of the Issuer that do not Guarantee borrowings by the Issuer under the Credit Agreement or by Unrestricted Subsidiaries. Under the terms of our existing credit facility, none of Cincinnati Bell Telephone, its Subsidiary, Cincinnati Bell Extended Territories LLC, our Mutual Signal Subsidiaries, and for so long as we do not own all of its outstanding equity or membership interests, CB Wireless are guarantors. Accordingly, for so long as these Subsidiaries remain non-guarantors under our existing credit facility, these subsidiaries will not be Note Guarantors. The non-guarantors had (1) assets of \$982.3 million, or 51% of our total assets, as of March 31, 2005, (2) liabilities of \$563.9 million, or 22% of our total liabilities, as of March 31, 2005, (3) revenue of \$964.5 million and \$238.1 million, or 80% and 83% of our consolidated revenue, for the year ended December 31, 2004 and the three months ended March 31, 2005, respectively, and (4) operating income of \$280.8 million and \$49.9 million, or 94% and 90% of our consolidated operating income for the year ended December 31, 2004 and the three months ended March 31, 2005, respectively.

**Principal, Maturity and Interest**

We issued the Original Senior Subordinated Notes in an aggregate principal amount of \$100 million. The Senior Subordinated Notes will mature on January 15, 2014. We will issue the New Senior Subordinated Notes in fully registered form, without coupons, in denominations of \$1,000 and any integral multiple of \$1,000.

Each Senior Subordinated Note offered hereby will bear interest at a rate of 8<sup>3</sup>/<sub>8</sub>% per annum from the most recent date to which interest on the Original Senior Subordinated Notes has been paid. We will pay interest semiannually to Holders of record at the close of business on the January 1 or July 1 immediately preceding the interest payment date on January 15 and July 15 of each year. We will begin paying interest to Holders of New Senior Subordinated Notes on January 15, 2006.



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We will also pay additional interest to Holders if the registration statement, of which this prospectus forms a part, is not declared effective on a timely basis or if certain other conditions are not satisfied.

**Indenture May Be Used For Future Issuances**

We may issue an unlimited amount of additional Senior Subordinated Notes having identical terms and conditions to the Senior Subordinated Notes previously issued (the Additional Notes). We are only permitted to issue such Additional Notes if at the time of such issuance we are in compliance with the covenants contained in the Indenture. Any Additional Notes will be part of the same issue as the Senior Subordinated Notes previously issued and will vote on all matters with such Senior Subordinated Notes. For the purposes of the Indenture, the Senior Subordinated Notes offered hereby are Additional Notes.

**Paying Agent and Registrar**

We will pay the principal of, premium, if any, interest (including any additional interest), if any, on the Senior Subordinated Notes at any office of ours or any agency designated by us which is located in the Borough of Manhattan, The City of New York. We have initially designated the corporate trust office of the Trustee to act as the agent of the Issuer in such matters. The location of the corporate trust office is 101 Barclay Street, New York, New York 10286. We, however, reserve the right to pay interest to Holders by check mailed directly to Holders at their registered addresses.

Holders may exchange or transfer their Senior Subordinated Notes at the same location given in the preceding paragraph. No service charge will be made for any registration of transfer or exchange of Senior Subordinated Notes. We, however, may require Holders to pay any transfer tax or other similar governmental charge payable in connection with any such transfer or exchange.

**Optional Redemption**

Except as set forth in the following paragraph, we may not redeem the Senior Subordinated Notes prior to January 15, 2009. After this date, we may redeem the Senior Subordinated Notes, in whole or in part, on not less than 30 nor more than 60 days prior notice, at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest and additional interest thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest and additional interest, if any, due on the relevant interest payment date), if redeemed during the 12-month period commencing on January 15 of the years set forth below:

Year	Redemption Price
2009	104.188%
2010	102.792%
2011	101.396%
2012 and thereafter	100.000%

Prior to January 15, 2007, we may, on one or more occasions, also redeem up to a maximum of 35% of the aggregate principal amount of the Senior Subordinated Notes (calculated giving effect to any issuance of Additional Notes) with the Net Cash Proceeds of one or more Equity Offerings by the Issuer, at a redemption price equal to 108.375% of the principal amount thereof, plus accrued and unpaid interest and additional interest thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that after giving effect to any such redemption:

- (1) at least 65% of the original aggregate principal amount of the Senior Subordinated Notes (calculated giving effect to any issuance of Additional Notes) remains outstanding; and
- (2) any such redemption by the Issuer must be made within 60 days of such Equity Offering and must be made in accordance with certain procedures set forth in the indenture.



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### **Selection**

If we partially redeem Senior Subordinated Notes, the Trustee will select the Senior Subordinated Notes to be redeemed on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, although no Senior Subordinated Note of \$1,000 in original principal amount or less will be redeemed in part. If we redeem any Senior Subordinated Note in part only, the notice of redemption relating to such Senior Subordinated Note shall state the portion of the principal amount thereof to be redeemed. A new Senior Subordinated Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Senior Subordinated Note. On and after the redemption date, interest will cease to accrue on Senior Subordinated Notes or portions thereof called for redemption so long as we have deposited with the Paying Agent funds sufficient to pay the principal of, plus accrued and unpaid interest and additional interest thereon, if any, the Senior Subordinated Notes to be redeemed.

### **Ranking**

The Indebtedness evidenced by the Senior Subordinated Notes and the Note Guarantees are senior subordinated unsecured obligations of the Issuer and the Note Guarantors, as the case may be. The payment of the principal of, premium, if any, and interest on the Senior Subordinated Notes and any payment pursuant to a Change of Control Offer with respect to the Senior Subordinated Notes will be subordinate in right of payment to the prior payment in full in cash (or any other consideration acceptable to the holders of Senior Indebtedness) of all Senior Indebtedness of the Issuer and the Note Guarantors, as the case may be, including Senior Indebtedness of the Issuer and the Note Guarantors incurred after the Closing Date. The terms of the subordination provisions described herein with respect to the Issuer's obligations under the Senior Subordinated Notes apply equally to each Note Guarantor and the obligations of such Note Guarantor under its Note Guarantee. Notwithstanding anything contained herein to the contrary, neither the Trustee nor the holders of Senior Subordinated Notes may receive or accept payments under a Note Guarantee at a time when they are not entitled to receive payment under the Senior Subordinated Notes.

Only Indebtedness of the Issuer or the Note Guarantors that is Senior Indebtedness ranks senior in right of payment to the Senior Subordinated Notes and the relevant Note Guarantee in accordance with the provisions of the Indenture. The Senior Subordinated Notes and the Note Guarantees have the same rank in right of payment as (i) all other Senior Subordinated Indebtedness of the Issuer and the Note Guarantors, respectively, other than the 16% Notes and the Guarantees thereof, and (ii) the 6.30% Debentures by virtue of the Issuer's subordinated guarantee, and rank senior in right of payment to all other Subordinated Indebtedness of the Issuer and the Note Guarantors, respectively.

The Issuer is not permitted to pay principal of, premium, if any, or interest (or other amounts) on the Senior Subordinated Notes or make any further deposit pursuant to the provisions described under "Defeasance" below and may not repurchase, redeem or otherwise retire for value any Senior Subordinated Notes (collectively, "Senior Subordinated Notes") if:

(1) a payment default on any Senior Indebtedness (including upon any acceleration of the maturity thereof) occurs and is continuing; or

(2) any other default on Designated Senior Indebtedness occurs that permits holders of the Designated Senior Indebtedness to accelerate the maturity thereof and the Trustee receives a notice of such default (a "Payment Blockage Notice") from the Representative of any Designated Senior Indebtedness or the Issuer. Payments on the Senior Subordinated Notes may and shall be resumed:

(1) in the case of payment default, upon the date on which such default is cured or waived or will have ceased to exist; and

(2) in case of a nonpayment default, upon the earlier of (x) the date on which such nonpayment default is cured or waived or will have ceased to exist (so long as no other default with respect to such

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Designated Senior Indebtedness exists) and (y) 179 days after the date on which the applicable Payment Blockage Notice is received.

No new Payment Blockage Notice may be delivered unless and until 360 days have elapsed since the effectiveness of the immediately prior Payment Blockage Notice.

No known default (other than a payment default) that existed upon the commencement of a Payment Blockage Notice (whether or not such default is on the same issue of Designated Senior Indebtedness) shall be made the basis for the commencement of any other Payment Blockage Notice, unless such default has been cured or waived or has ceased to exist and thereafter subsequently reoccurred.

In the event of (a) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relating to the Issuer or any Note Guarantor or to any of their assets, or (b) any payment or distribution of the assets of the Issuer or any Note Guarantor to creditors upon a total or partial liquidation, dissolution or other winding up of the Issuer or such Note Guarantor, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy, or (c) any assignment for the benefit of creditors or any other marshaling of assets and liabilities of the Issuer or any Note Guarantor, then and in any such event the holders of Senior Indebtedness shall be entitled to receive payment in full in cash or other payment satisfactory to the holders of Senior Indebtedness (in their sole discretion) of all amounts due or to become due on or in respect of all Senior Indebtedness before the Holders of the Senior Subordinated Notes are entitled to receive any payment on account of principal of or interest on the Senior Subordinated Notes or on account of the purchase, redemption or other retirement of Senior Subordinated Notes (including any payment pursuant to the terms of a Change of Control Offer), and to that end the holders of Senior Indebtedness shall be entitled to receive, for application to the payment thereof, any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in respect of the Senior Subordinated Notes or any Note Guarantee in any such case, proceeding, receivership, dissolution, liquidation, reorganization or other winding up or event.

In the event that, notwithstanding the foregoing provisions of the preceding paragraph, the Holder of any Senior Subordinated Note shall have received any payment or distribution of assets of the Issuer or any Note Guarantor of any kind or character, whether in cash, securities or other property, before all Senior Indebtedness is paid in full, then such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other person making payment or distribution of assets of the Issuer or any such Note Guarantor for application to the payment of all Senior Indebtedness remaining unpaid, to the extent necessary to pay all Senior Indebtedness in full, after giving effect to any concurrent payment or distribution to or for the holders of Senior Indebtedness.

For the purposes of the two preceding paragraphs only, the words cash, securities or other property shall not be deemed to include shares of stock of the Issuer or any Note Guarantor as reorganized or readjusted, or securities of the Issuer or any Note Guarantor or any other corporation provided for by a plan of reorganization or readjustment which shares of stock are subordinated in right of payment to all then outstanding Senior Indebtedness at least to the same extent as the Senior Subordinated Notes and Note Guarantees are subordinated as provided in this Ranking section. The consolidation of the Issuer with, or the merger of the Issuer into, another person or the liquidation or dissolution of the Issuer following the conveyance or transfer of its properties and assets substantially as an entirety to another person upon the terms and conditions set forth under Merger and Consolidation shall not be deemed a dissolution, winding up, liquidation, reorganization, assignment for the benefit of creditors or marshaling of assets and liabilities of the Issuer for the purposes of the two preceding paragraphs if the person formed by such consolidation or into which the Issuer is merged or which acquires by conveyance or transfer such properties and assets substantially as an entirety, as the case may be, shall, as a part of such consolidation, merger, conveyance or transfer, comply with the conditions set forth in the first paragraph under Merger and Consolidation.

In the event that any Senior Subordinated Notes are declared due and payable before their Stated Maturity pursuant to the acceleration provisions described under Defaults, then and in such event the holders of Senior Indebtedness outstanding at the time such Senior Subordinated Notes so become due and payable shall be entitled to receive payment in full of all amounts due or to become due as a result of such



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acceleration of the Senior Subordinated Notes on or in respect of all Senior Indebtedness before the Holders of the Senior Subordinated Notes are entitled to receive any payment by the Issuer on account of the principal of or interest on the Senior Subordinated Notes or on account of the purchase, redemption or other retirement of Senior Subordinated Notes (including any payment pursuant to the terms of a Change of Control Offer). The provisions of this paragraph shall not apply to any payment with respect to which the preceding three paragraphs would be applicable. If payment of the Senior Subordinated Notes is accelerated because of an Event of Default, the Issuer or the Trustee shall promptly notify the holders of Designated Senior Indebtedness or the Representative of such holders of the acceleration.

No provision contained in the Indenture or the Senior Subordinated Notes affects the obligations of the Issuer and the Note Guarantors, which are absolute and unconditional, to pay the Senior Subordinated Notes when due. The subordination provisions of the Indenture and the Senior Subordinated Notes do not prevent the occurrence of any Default or Event of Default under the Indenture or limit the rights of the Trustee or any holder to pursue any other rights or remedies with respect to the Senior Subordinated Notes.

By reason of the subordination provisions contained in the Indenture, in the event of a liquidation or insolvency proceeding, creditors of the Issuer or a Note Guarantor who are holders of Senior Indebtedness may recover more, ratably, than the holders of the Senior Subordinated Notes. See Risk Factors Risk Factors Related to the Notes and the Exchange Offer Senior Subordinated Note holders' right to receive payments on the Senior Subordinated Notes will be junior to the borrowings under our existing credit facility and all other existing and future senior indebtedness, including the Senior Notes, the 7<sup>1</sup>/<sub>4</sub>% Notes, the Issuer's 7<sup>1</sup>/<sub>4</sub>% Senior Notes due 2023 and the 16% Notes.

The terms of the subordination provisions described above do not apply to payments from money or the proceeds of U.S. Government Obligations held in trust by the Trustee for the payment of principal of and interest on the Senior Subordinated Notes pursuant to the provisions described under Defeasance.

The Issuer currently conducts all its operations through its Subsidiaries. To the extent such Subsidiaries are not Note Guarantors, creditors of such Subsidiaries, including trade creditors, and preferred stockholders, if any, of such Subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Issuer, including Holders. The Senior Subordinated Notes, therefore, are effectively subordinated to the claims of creditors, including trade creditors, and preferred stockholders, if any, of Subsidiaries of the Issuer that are not Note Guarantors. The Senior Subordinated Notes and the Note Guarantees are also effectively subordinated to any Secured Indebtedness of the Issuer and its Subsidiaries to the extent of the value of the assets securing such Indebtedness.

With respect to the Senior Subordinated Notes and the Note Guarantees after giving effect to the Interest Rate Swaps, as of March 31, 2005 there was outstanding:

\$1,251 million of Senior Indebtedness of the Issuer (excluding unused commitments under our existing credit facility and including the 16% Notes and the Senior Notes), of which \$125 million was Secured Indebtedness;

no Senior Indebtedness of the Note Guarantors (excluding the CB Technology Solutions Debt and the guarantees of our existing credit facility, the 7<sup>1</sup>/<sub>4</sub>% Notes, the 16% Notes and the Original Senior Notes);

\$264 million of indebtedness of non-guarantor subsidiaries (consisting of certain capital lease obligations, the 6.30% Debentures and the Medium Term Notes) effectively ranking senior to the Senior Subordinated Notes and the Note Guarantees to the extent of the value of the assets of such non-guarantor subsidiaries;

\$690 million of Indebtedness of the Issuer ranking *pari passu* in right of payment to the Senior Subordinated Notes (consisting of our 2003 Notes and our guarantee of Cincinnati Bell Telephone's 6.30% Debentures (as described under Description of Other Indebtedness and Preferred Stock Cincinnati Bell Telephone 6.30% Unsecured Senior Debentures due 2028 ));

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no Indebtedness of the Note Guarantors ranking *pari passu* in right of payment to the Note Guarantees (excluding the guarantees of our 2003 Notes); and

\$100 million of Indebtedness of the Issuer that is subordinated or junior in right of payment to the Senior Subordinated Notes (consisting of the guarantee by the Issuer of Cincinnati Bell Telephone's Medium Term Notes (as described under Description of Other Indebtedness and Preferred Stock Cincinnati Bell Telephone Guaranteed Medium Term Notes)) and no Indebtedness of the Note Guarantors that is subordinated in right of payment to the Note Guarantees.

Although the Indenture limits the Incurrence of Indebtedness by the Issuer and the Restricted Subsidiaries and the issuance of Preferred Stock by the Restricted Subsidiaries, such limitation is subject to a number of significant qualifications. The Issuer and its Subsidiaries may be able to Incur substantial amounts of Indebtedness in certain circumstances. Such Indebtedness may be Senior Indebtedness.

Unsecured Indebtedness is not deemed to be subordinate or junior to Secured Indebtedness merely because it is unsecured.

**Note Guarantees**

The Restricted Subsidiaries of the Issuer that Guarantee borrowings by the Issuer under the Credit Agreement, and certain future subsidiaries of the Issuer (as described below), as primary obligors and not merely as sureties, jointly and severally irrevocably and unconditionally Guarantee on an unsecured senior subordinated basis as described under Ranking above, the performance and full and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all obligations of the Issuer under the Indenture (including obligations to the Trustee) and the Senior Subordinated Notes, whether for payment of principal of or interest on or additional interest in respect of the Senior Subordinated Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Note Guarantors being herein called the Guaranteed Obligations). Such Note Guarantors agreed to pay, in addition to the amount stated above, any and all costs and expenses (including reasonable counsel fees and expenses) incurred by the Trustee or the Holders in enforcing any rights under the Note Guarantees. Each Note Guarantee will be limited in amount to an amount not to exceed the maximum amount that can be Guaranteed by the applicable Note Guarantor without rendering the Note Guarantee, as it relates to such Note Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. After the Closing Date, the Issuer will cause each Restricted Subsidiary that becomes a Guarantor of borrowings by the Issuer under the Credit Agreement to execute and deliver to the Trustee a supplemental indenture pursuant to which such Restricted Subsidiary will Guarantee payment of the Senior Subordinated Notes. See Certain Covenants Future Note Guarantors below.

Each Note Guarantee is a continuing guarantee and shall (a) remain in full force and effect until payment in full of all the Guaranteed Obligations, (b) be binding upon each Note Guarantor and its successors and (c) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

The Note Guarantee of a Note Guarantor will be released:

(1) in connection with any sale of all of the Capital Stock of such Note Guarantor (including by way of merger or consolidation) to a Person or a group of Persons that is not (either before or after giving effect to such transaction) an Affiliate of the Issuer, if the sale complies with the covenant described under Certain Covenants Asset Dispositions and, to the extent applicable, complies with the provisions described under Merger and Consolidation ;

(2) if the Issuer designates such Restricted Subsidiary that is a Note Guarantor as an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture; or

(3) if such a Note Guarantor is released from its Guarantee of borrowings by the Issuer under the Credit Agreement.

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**Change of Control**

Upon the occurrence of any of the following events (each a **Change of Control**), each Holder will have the right to require the Issuer to purchase all or any part of such Holder's Senior Subordinated Notes at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest and additional interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and additional interest, if any, due on the relevant interest payment date):

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more related transactions, of all or substantially all of the properties and assets of the Company and its Subsidiaries, taken as a whole, to any Person unless: (x) pursuant to such transaction such assets are changed into or exchanged for, in addition to any other consideration, securities of such Person that represent immediately after such transaction at least a majority of the aggregate voting power of the Voting Stock of such Person and (y) no person (as such term is used in Section 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) is the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of such Person;

(2) the adoption of a plan relating to the liquidation or dissolution of the Issuer;

(3) any person (as such term is used in Sections 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of the Issuer;

(4) during any period of two consecutive years, individuals who at the beginning of such period constituted the board of directors of the Issuer (together with any new directors whose election by such board of directors of the Issuer or whose nomination for election by the shareholders of the Issuer was approved by a majority vote of the directors of the Issuer then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors of the Issuer then in office;

(5) the merger or consolidation of the Issuer with or into another Person or the merger of another Person with or into the Issuer and the securities of the Issuer that are outstanding immediately prior to such transaction and which represent 100% of the aggregate voting power of the Voting Stock of the Issuer are changed into or exchanged for cash, securities or property, unless (a) pursuant to such transaction such securities are changed into or exchanged for, in addition to any other consideration, securities of the surviving Person or transferee that represent immediately after such transaction, at least a majority of the aggregate voting power of the Voting Stock of the surviving Person or transferee and (b) no person (as such term is used in Section 13(d) (3) of the Exchange Act) or group (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) is the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have beneficial ownership of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of such surviving Person or transferee; or



(6) any change of control as defined in any Subordinated Indebtedness of the Issuer or the Note Guarantors to the extent not waived by the holders thereof;  
*provided, however,* that notwithstanding the occurrence of a Change of Control, the Issuer shall not be obligated to purchase the Senior Subordinated Notes pursuant to this section in the event that it has exercised

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its right to redeem all the Senior Subordinated Notes under the terms of the section titled Optional Redemption.

In the event that at the time of such Change of Control the terms of any Senior Indebtedness restrict or prohibit the repurchase of Senior Subordinated Notes pursuant to this covenant, then prior to the mailing of the notice to Holders provided for in the immediately following paragraph but in any event within 30 days following any Change of Control, the Issuer shall:

(1) repay in full all such Senior Indebtedness or, if doing so will allow the purchase of Senior Subordinated Notes, offer to repay in full all such Senior Indebtedness and repay the Senior Indebtedness owing to each holder thereof who has accepted such offer; or

(2) obtain the requisite consent under such Senior Indebtedness to permit the repurchase of the Senior Subordinated Notes as provided for in the immediately following paragraph.

Within 30 days following any Change of Control, the Issuer shall mail a notice to each Holder with a copy to the Trustee (the Change of Control Offer ) stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase all or a portion of such Holder's Senior Subordinated Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and additional interest, if any, on the relevant interest payment date);

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the purchase date (which shall be no earlier than 10 Business Days nor later than 60 days from the date such notice is mailed); and

(4) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Senior Subordinated Notes purchased.

The Issuer is not required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Senior Subordinated Notes validly tendered and not withdrawn under such Change of Control Offer.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the purchase of Senior Subordinated Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

The Change of Control purchase feature is a result of negotiations between the Issuer and the Initial Purchasers. Management has no present intention to engage in a transaction involving a Change of Control, although it is possible that the Issuer would decide to do so in the future. Subject to the limitations discussed below, the Issuer could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuer's capital structure or credit ratings. Restrictions on the ability of the Issuer to incur additional Indebtedness are contained in the covenants described under Certain Covenants - Incurrence of Indebtedness and Issuance of Preferred Stock and Certain Covenants - Limitation on Liens. Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the Senior Subordinated Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford Holders protection in the event of a highly leveraged transaction.

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The occurrence of certain of the events which would constitute a Change of Control would constitute a default under the Credit Agreement and would require the Issuer to offer to purchase the 16% Notes, the 7<sup>1</sup>/<sub>4</sub>% Notes and the Senior Notes offered hereby as set forth in the Description of Senior Notes on terms comparable to those described above. Future Indebtedness of the Issuer may contain prohibitions of certain events which would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Senior Subordinated Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the Holders upon a purchase may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required purchases. The provisions under the Indenture relative to the Issuer's obligation to make an offer to purchase the Senior Subordinated Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the Senior Subordinated Notes.

**Certain Covenants**

The Indenture contains covenants including, among others, the following:

*Incurrence of Indebtedness and Issuance of Preferred Stock.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, incur, directly or indirectly, any Indebtedness (including Acquired Indebtedness) and shall not permit any of its Restricted Subsidiaries to issue any Preferred Stock; *provided, however*, that the Issuer and its Restricted Subsidiaries may incur Indebtedness (including Acquired Indebtedness), and the Restricted Subsidiaries may issue Preferred Stock, if on the date of such Incurrence and after giving effect thereto the Consolidated Adjusted Debt to EBITDA Ratio is less than 6.00 to 1.00 (this test being referred to herein as the Leverage Test). For the purpose of the calculation of the Leverage Test, with respect to any period included in such calculation, Consolidated EBITDA, the components of Consolidated Interest Expense, and Consolidated Adjusted Debt and Capital Expenditures shall be calculated with respect to such period by the Issuer in good faith on a pro forma basis (including and consistent with Permitted Adjustments), giving effect to any Permitted Acquisition, Asset Disposition or Incurrence or redemption or repayment of Indebtedness that has given rise to the need for such calculation, has occurred during such period or has occurred after such period and on or prior to the date of such calculation (each a Subject Transaction), including, with regard to Permitted Acquisitions and Asset Dispositions, by using the historical financial statements of any business so acquired or to be acquired or sold or to be sold and the consolidated financial statements of the Issuer and its Restricted Subsidiaries which shall be reformulated as if such Subject Transaction, and any Indebtedness Incurred or redeemed or repaid in connection therewith, had been consummated or Incurred or redeemed or repaid at the beginning of such period (and assuming that such Indebtedness bears interest during any portion of the applicable measurement period prior to the relevant acquisition at the weighted average of the interest rates applicable to outstanding revolving loans under the Credit Agreement Incurred during such period).

(b) The foregoing paragraph (a) shall not apply to:

(1) the Incurrence by the Issuer and its Restricted Subsidiaries of the Existing Indebtedness;

(2) the Incurrence by the Issuer and its Restricted Subsidiaries of the Indebtedness represented by the Senior Subordinated Notes and the Note Guarantees (not including any Additional Notes) and the Exchange Notes and the Exchange Note Guarantees issued in exchange therefor;

(3) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness represented by (A) Capitalized Lease Obligations, mortgage financings or purchase money Indebtedness, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of construction, repair, addition to or improvement of property, plant or equipment used in the business of the Issuer or such Subsidiary, in an aggregate principal amount, not to exceed \$180 million at any one time outstanding and (B) other purchase money Indebtedness in an aggregate principal amount not to exceed (without duplication) \$10 million at any one time outstanding;



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(4) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, Refinance, renew, replace, defease or refund, Indebtedness that was permitted by the Indenture to be Incurred by the Issuer or such Restricted Subsidiary;

(5) the Incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness (A) between or among the Issuer and any Restricted Subsidiaries of the Issuer and (B) consisting of debits and credits among the Issuer and its Restricted Subsidiaries pursuant to the Centralized Cash Management System; *provided, however,* that (i) any intercompany Indebtedness which is borrowed by the Issuer or a Note Guarantor from a Restricted Subsidiary that is not a Note Guarantor shall be expressly subordinated to the Senior Subordinated Notes or such Note Guarantor's Note Guarantee and (ii) (x) any subsequent issuance or transfer of Capital Stock that results in any such Indebtedness being held by a Person other than the Issuer or a Restricted Subsidiary, or (y) any sale or other transfer of any such Indebtedness to a Person other than the Issuer or a Restricted Subsidiary of the Issuer, or a lender or agent upon exercise of remedies under a pledge of such Indebtedness under the Credit Documents, shall be deemed, in each case of the foregoing clauses (ii) (x) and (y), to constitute an Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be;

(6) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Interest Swap Obligations that are Incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of the Indenture to be outstanding;

(7) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness evidenced by the Credit Documents (and the Guarantees thereof by the Issuer and the Issuer's Subsidiaries) in a principal amount not exceeding \$1,115.6 million less all amounts used to repay Indebtedness under the Credit Agreement pursuant to the covenant described under Certain Covenants Asset Dispositions ; *provided* that, notwithstanding the limitations set forth in this clause (7), in the event of any permanent reduction or repayment of the Credit Agreement's revolving facility, the Issuer and its Restricted Subsidiaries shall have the right to obtain additional commitments under, and extend the maturity of, such revolving facility (and incur additional revolving Indebtedness pursuant to such additional commitments) in an amount not exceeding the amount of such permanent reduction; *provided, further,* that, the aggregate amount of all such additional commitments obtained by the Issuer and its Restricted Subsidiaries since the date of the Indenture does not exceed \$100 million;

(8) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness under Currency Agreements;

(9) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness of the Issuer or any of its Restricted Subsidiaries represented by letters of credit for the account of the Issuer or such Restricted Subsidiary, as the case may be, in order to provide security for workers' compensation claims, payment obligations in connection with self-insurance or similar requirements in the Ordinary Course of Business;

(10) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of performance bonds, bankers' acceptances, workers' compensation claims, completion guarantees, letters of credit surety or appeal bonds, payment obligations in connection with self-insurance or similar obligations Incurred in the Ordinary Course of Business;

(11) the Guarantee by the Issuer or any of its Restricted Subsidiaries of Indebtedness of the Issuer or a Restricted Subsidiary of the Issuer that was permitted to be Incurred by another provision of this covenant;

(12) Indebtedness arising from agreements of the Issuer or a Restricted Subsidiary of the Issuer providing for indemnification, adjustment of purchase price or similar obligations, in each case, Incurred in connection with an



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(13) Indebtedness of a Restricted Subsidiary Incurred and outstanding on or prior to the date on which such Restricted Subsidiary was acquired by the Issuer (other than Indebtedness Incurred in contemplation of, in connection with, as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Subsidiary of or was otherwise acquired by the Issuer); *provided, however*, that on the date that such Restricted Subsidiary is acquired by the Issuer, the Issuer would have been able to Incur \$1.00 of additional Indebtedness under the first paragraph of this covenant pursuant to the Leverage Test after giving effect to the Incurrence of such Indebtedness pursuant to this clause (13);

(14) the Incurrence of Indebtedness not to exceed \$35 million at any time outstanding secured by, and only by, the Spectrum Assets; and

(15) the Incurrence of other Indebtedness not to exceed \$100 million in the aggregate principal amount at any time outstanding.

(c) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (1) through (15) of the immediately preceding paragraph or is entitled to be Incurred pursuant to paragraph (a) of this covenant, the Issuer shall, in its sole discretion, classify (or later reclassify) such Item of Indebtedness in any manner that complies with this covenant and will only be required to include the amount and type of such Indebtedness in one of such clauses of the immediately preceding paragraph or pursuant to paragraph (a) of this covenant; *provided* that Indebtedness outstanding under the Credit Documents as of the Closing Date shall be deemed to have been Incurred pursuant to clause (7) of paragraph (b) of this covenant. Accrual of interest, accretion of accreted value, amortization of original issue discount, the payment of interest on any Indebtedness in the Form of additional Indebtedness with the same terms as the Indebtedness on which such interest is being paid and any other issuance of securities paid-in-kind shall not be deemed to be Incurrence of Indebtedness for purposes of this covenant, but such amounts shall be included in Consolidated Adjusted Debt to the extent provided for in such definition. In addition, the Issuer may, at any time, change the classification of an Item of Indebtedness (or any portion thereof) to any other clause of the immediately preceding paragraph or to Indebtedness properly Incurred under paragraph (a) of this covenant; *provided* that the Issuer would be permitted to Incur such Item of Indebtedness (or portion thereof) pursuant to such other clause of the immediately preceding paragraph or paragraph (a) of this covenant, as the case may be, at such time of reclassification.

*Restricted Payments.* (a) The Issuer will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or make any dividend payment or other distribution of assets, properties, cash, rights, obligations or securities on account of any shares of any class of Capital Stock (including any payment in connection with a merger or consolidation involving the Issuer or any of its Restricted Subsidiaries), except (x) dividends or distributions payable solely in its Capital Stock (other than Disqualified Capital Stock or Capital Stock convertible into or exchangeable for Disqualified Capital Stock) and (y) dividends or distributions payable to the Issuer or to a Restricted Subsidiary (and, if the Restricted Subsidiary making such dividend or distribution has equityholders other than the Issuer or another Restricted Subsidiary, to such equityholders on a pro rata basis);

(2) purchase, redeem or otherwise acquire for value any shares of Capital Stock of the Issuer or any of its Restricted Subsidiaries now or hereafter outstanding held by a Person other than the Issuer or another Restricted Subsidiary;

(3) make any payment or prepayment of principal of, premium, if any, interest, redemption, exchange, purchase, retirement, defeasance, sinking fund or other payment with respect to, any Subordinated Indebtedness of the Issuer prior to scheduled maturity, scheduled payment, scheduled repayment or scheduled sinking fund payment thereof (except redemption, exchange, purchase, retirement, defeasance, sinking fund or other payment

within twelve months of the final maturity thereof); or



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(4) make any Restricted Investments

(the items described in clauses (1), (2), (3), and (4) are referred to as Restricted Payments ); except that the Issuer or any Restricted Subsidiary of the Issuer may make a Restricted Payment if at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default will have occurred and be continuing (or would result therefrom);

(B) the Issuer could Incur at least \$1.00 of additional Indebtedness under paragraph (a) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; and

(C) such Restricted Payment, together with the aggregate of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Closing Date (excluding Restricted Payments permitted by subsections (b) (1) through (5), inclusive, (8) and (9) of this covenant), would be less than the sum, without duplication, of:

(i) Consolidated EBITDA minus 150% of Consolidated Interest Expense for the period (taken as one accounting period) from July 1, 2003 to the end of the Issuer s most recently ended fiscal quarter for which internal financial statements of the Issuer and its Restricted Subsidiaries are available at the time of such Restricted Payment;

(ii) to the extent that any Restricted Investment that was made after the Closing Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (x) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (y) the initial amount of such Restricted Investment;

(iii) the amount equal to the net reduction in Investments in Unrestricted Subsidiaries resulting from the redesignation of Unrestricted Subsidiaries as Restricted Subsidiaries (valued as provided in the definition of Investment );

(iv) net cash dividends or other net cash distributions paid to the Issuer or any Restricted Subsidiary from Unrestricted Subsidiaries;

(v) the aggregate net cash proceeds and fair market value of property received by the Issuer from the issue or sale of its Capital Stock (other than Disqualified Capital Stock) or other capital contributions subsequent to the Closing Date (other than net cash proceeds or property (x) received from an issuance or sale of such Capital Stock to a Subsidiary of the Issuer or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan, option plan or similar trust is financed by loans from or guaranteed by the Issuer or any Restricted Subsidiary or (y) applied for the purposes of clause (1) of paragraph (b) below); and

(vi) aggregate net cash proceeds received by the Issuer from the issue or sale since the Closing Date of debt securities that have been converted into Capital Stock (other than Disqualified Capital Stock) of the Issuer.

(b) The provisions of the foregoing paragraph (a) will not prohibit any of the following:

(1) the defeasance, redemption or repurchase of (x) Subordinated Indebtedness of the Issuer properly Incurred under the Indenture with the net cash proceeds from an Incurrence of Permitted Refinancing Indebtedness or the substantially concurrent sale (other than to a Subsidiary of the Issuer) of Capital Stock of the Issuer or (y) Convertible Preferred Stock or other Capital Stock of the Issuer with the Net Cash Proceeds from the substantially concurrent sale (other than to a Subsidiary of the Issuer) of Capital Stock of the Issuer (other than Disqualified Capital Stock);

(2) the pro rata redemption or repurchase by any Restricted Subsidiary of the Issuer of its common stock;



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(3) the making by the Issuer of regularly scheduled payments in respect of any Subordinated Indebtedness of the Issuer properly Incurred under the Indenture in accordance with the terms of, and only to the extent required by, and subject to the subordination provisions contained in, any agreement pursuant to which such Subordinated Indebtedness was issued;

(4) the making by the Issuer and its Restricted Subsidiaries of Permitted Acquisitions;

(5) the making by the Issuer of regularly scheduled dividend payments in respect of 6<sup>3</sup>/<sub>4</sub>% Cumulative Convertible Preferred Stock of the Issuer in accordance with the terms thereof;

(6) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this covenant;

(7) the repurchase or other acquisition of shares of, or options to purchase shares of, common stock of the Issuer or any of its Subsidiaries from employees, former employees, directors or former directors of the Issuer or any of its Subsidiaries (or permitted transferees of such employees, former employees, directors or former directors), pursuant to the terms of the agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors of the Issuer under which such individuals purchase or sell or are granted the option to purchase or sell, shares of such common stock; *provided, however*, that the aggregate amount of such repurchases shall not exceed \$5 million in any calendar year;

(8) the issuance of common stock of the Issuer to officers, directors and employees as part of compensation arrangements; and

(9) the making by the Issuer and its Restricted Subsidiaries of other Restricted Payments not to exceed \$10 million in the aggregate since the Closing Date.

*Dividend and Other Payment Restrictions Affecting Subsidiaries.* The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions to the Issuer with respect to any Capital Stock of such Restricted Subsidiary or any other interest or participation in, or measured by, such Restricted Subsidiary's profits, or pay any Indebtedness or other obligations owed to the Issuer or the Issuer's other Restricted Subsidiaries;

(2) make loans or advances to the Issuer or the Issuer's other Restricted Subsidiaries; or

(3) transfer any of such Restricted Subsidiary's property or assets to the Issuer or the Issuer's other Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reason of:

(A) existing Indebtedness and agreements as in effect at or entered into on the Closing Date;

(B) the Credit Documents as in effect as of the Closing Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or Refinancings thereof permitted under the Indenture; *provided, however*, that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or Refinancings are not materially more restrictive with respect to such provisions than those contained in the Credit Documents on the date hereof;

(C) the Indenture and the Senior Subordinated Notes;

(D) Applicable Law;

(E) any encumbrance or restriction

(i) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or

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(ii) contained in security agreements securing Indebtedness of the Issuer or a Restricted Subsidiary to the extent such encumbrance or restriction restricts the transfer of the property subject to such security agreements;

(F) capital leases or purchase money obligations for property acquired in the Ordinary Course of Business that impose restrictions of the nature described in clause (E) above on the property so acquired;

(G) Permitted Refinancing Indebtedness; *provided, however*, that such restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive than those contained in the agreements governing the Indebtedness being Refinanced;

(H) any instrument governing Indebtedness, Capital Stock or assets of a Person acquired by the Issuer or any of the Issuer's Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such instrument was created or such Indebtedness was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be Incurred;

(I) secured Indebtedness otherwise permitted to be Incurred pursuant to the Indenture that limits the right of the debtor thereunder to dispose of the assets securing such Indebtedness;

(J) contracts for the sale of assets, including without limitation customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into or the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary;

(K) restrictions on deposits or minimum net worth requirements imposed by customers under contracts entered into in the Ordinary Course of Business;

(L) customary provisions in joint venture agreements, licenses and leases and other similar agreements entered into in the Ordinary Course of Business;

(M) any encumbrance or restriction contained in an agreement evidencing Indebtedness of a Restricted Subsidiary permitted to be Incurred subsequent to the Closing Date pursuant to the covenant described under Certain Covenants - Incurrence of Indebtedness and Issuance of Preferred Stock ; or

(N) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (A) through (M) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

*Asset Dispositions.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, consummate any Asset Disposition (provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries as a whole is governed by the provisions described under Merger and Consolidation herein and not by the provisions of this covenant) unless:

(1) the consideration received is at least equal to the fair market value of such assets (except as the result of (x) any foreclosure or sale by the lenders under the Credit Documents or (y) Net Proceeds received from an insurer or a Governmental Authority, as the case may be, in the event of loss, damage, destruction or condemnation); and



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(2) in the case of Asset Dispositions that are not Permitted Asset Swaps, at least 75% of the consideration thereof received by the Issuer or such Restricted Subsidiary is in the form of cash and Cash Equivalents.

For the purposes of this covenant, the following are deemed to be cash:

any liabilities (as shown on the Issuer's or such Restricted Subsidiary's most recent balance sheet) of the Issuer or any Restricted Subsidiary that are assumed by the transferee of any such assets pursuant to any arrangement releasing the Issuer or such Restricted Subsidiary from further liability and

any securities, notes or other obligations received by the Issuer or any such Restricted Subsidiary from such transferee that are converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents within 90 days after the Asset Disposition (to the extent of the cash received).

(b) Within 365 days after the receipt of any Net Proceeds from an Asset Disposition, the Issuer or the Restricted Subsidiary making such Asset Disposition, as the case may be, may, at its option, apply such Net Proceeds (i) to permanently reduce Senior Indebtedness or any Indebtedness of the Restricted Subsidiaries of the Issuer which are not Note Guarantors, or to purchase the Senior Subordinated Notes (with the consent of the Holders thereof to the extent required) or indebtedness ranking *pari passu* with the Senior Subordinated Notes (and to correspondingly reduce commitments with respect thereto, to the extent applicable) or (ii) to the acquisition of a controlling interest in another business, the making of Capital Expenditures or the investment in or acquisition of other long-term assets, in each case, in the same or a similar line of business as the Issuer and its Subsidiaries engaged in at the time such assets were sold or in a business reasonably related, complementing or ancillary thereto or a reasonable expansion thereof. Pending the final application of any such Net Proceeds, the Issuer may temporarily reduce revolving credit Indebtedness under the Credit Agreement or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture. Any Net Proceeds from Asset Dispositions that are not applied or invested as provided in the first sentence of this paragraph shall be deemed to constitute Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds \$15 million, the Issuer shall make an Asset Sale Offer to purchase the maximum principal amount of Senior Subordinated Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the outstanding principal amount thereof, plus accrued and unpaid interest, thereon to the date of purchase, in accordance with the procedures set forth in the Indenture; *provided, however*, that if the Issuer elects (or is required by the terms of any other Indebtedness (other than Subordinated Indebtedness or Disqualified Capital Stock) of the Issuer), such Asset Sale Offer may be made ratably to purchase the Senior Subordinated Notes and other Indebtedness (other than Subordinated Indebtedness or Disqualified Capital Stock) of the Issuer. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

(c) The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Senior Subordinated Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

*Transactions with Affiliates.* (a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any management, consulting, investment banking, advisory, or other services) with any Affiliate of the Issuer (each, an Affiliate Transaction) except:

(1) the performance of any agreements as in effect as of the Closing Date or the consummation of any transaction contemplated thereby (including pursuant to any amendment thereto as long as any such amendment is not disadvantageous to the Holders of the Senior Subordinated Notes in any material respect);

(2) transactions (i) the terms which are not materially less favorable to the Issuer or such Restricted Subsidiary than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Issuer and (ii) with respect to which the Issuer delivers to the Trustee (A) with

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respect to any Affiliate Transaction involving aggregate consideration in excess of \$10 million, a resolution of the Board of Directors of the Issuer set forth in an Officers Certificate certifying that such Affiliate transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Issuer, and (B) with respect to any Affiliate Transaction or series of Affiliate Transactions (other than any Affiliate Transaction with Cincinnati Bell Technology Solutions Inc.) involving in excess of \$30 million, an opinion as to the fairness of such Affiliate Transaction to the Issuer from a financial point of view issued by an Independent Qualified Party;

(3) payment of customary compensation to officers, employees, consultants and investment bankers for services actually rendered to the Issuer or such Restricted Subsidiary, including indemnity;

(4) payment of director's fees plus expenses and customary indemnification of directors;

(5) the payment of the fees, expenses and other amounts payable by the Issuer and its Restricted Subsidiaries in connection with the offering of the Senior Subordinated Notes;

(6) Restricted Payments permitted by the covenant described under Certain Covenants Restricted Payments and Permitted Investments;

(7) transactions (x) between or among the Issuer and its Restricted Subsidiaries, (y) between and among the Restricted Subsidiaries and (z) between or among the Issuer and/or its Subsidiaries pursuant to the Centralized Cash Management System;

(8) any licensing agreement or similar agreement entered into in the Ordinary Course of Business relating to the use of technology or intellectual property between any of the Issuer and its Subsidiaries, on the one hand, and any company or other Person which is an Affiliate of the Issuer or its subsidiaries by virtue of the fact that Person has made an Investment in or owns any Capital Stock of such company or other Person which are fair to the Issuer or its Restricted Subsidiaries, in the reasonable determination of the Board of Directors, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

(9) the issuance of payments, awards or grants, in cash or otherwise, pursuant to, or the funding of, employment arrangements approved by the Board of Directors of the Issuer in good faith and customary loans and advances to employees of the Issuer, or any Restricted Subsidiary of the Issuer to the extent otherwise permitted in the Indenture;

(10) sale of services by the BRCOM Group to the Issuer and its Restricted Subsidiaries, so long as the prices for such services are consistent with past practices, are upon terms which are not less favorable to the Issuer or such Restricted Subsidiary than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Issuer; and

(11) transactions permitted under Sections 5.06(f) and 5.06(k) of the 16% Notes Indenture, as such Sections may be amended from time to time, and transactions described in the offering circular relating to the 2003 Notes under Relationship Between Cincinnati Bell and BRCOM Intercompany Arrangements .

Transactions permitted by Sections 5.06(f) and 5.06(k) of the 16% Notes Indenture consist primarily of pension plan services, management services, payroll and accounts-payable processing services, managed internet and hardware services, hosting/allocation services, helpdesk services, equipment and office supply services and the leasing of office space.

*Limitation on Issuance and Sales of Capital Stock of Subsidiaries.* The Issuer shall not, and shall not permit any Restricted Subsidiary to, transfer, convey, sell, issue, lease or otherwise dispose of any Capital Stock of any Restricted



Subsidiary to any Person (other than to the Issuer or another Restricted Subsidiary of the Issuer), unless such transfer, conveyance, sale, lease or other disposition shall be made in accordance with the covenant described under Certain Covenants Asset Dispositions, including the provision of such covenant governing the application of Net Proceeds from such transfer, conveyance, sale, lease or other

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disposition; *provided, however*, that this covenant shall not restrict any pledge of Capital Stock of the Issuer and its Restricted Subsidiaries securing Indebtedness under the Credit Documents or other Indebtedness permitted to be secured under the covenant described under Certain Covenants Limitation on Liens.

*Limitation on Liens.* The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, incur or permit to exist any Lien (other than (a) Liens securing Senior Indebtedness and (b) Permitted Liens) on any asset now owned or hereafter acquired to secure any Indebtedness of the Issuer or such Restricted Subsidiary; provided that the Issuer or any Restricted Subsidiary may create, incur or assume Liens to secure any Indebtedness or a Guarantee thereof, so long as concurrently with the incurrence or assumption of such Lien the Issuer or such Restricted Subsidiary effectively provides that the Senior Subordinated Notes shall be secured equally and ratably with (or prior and senior to, in the case of Liens with respect to Subordinated Indebtedness) such Indebtedness, so long as such Indebtedness shall be so secured.

*Commission Reports.* Whether or not required by the reporting requirements of Section 13 or 15(d) of the Exchange Act, so long as the Senior Subordinated Notes are outstanding, the Issuer shall file with the Commission and provide the Trustee, Holders and prospective Holders (upon request) within 15 days after it files or is required to file them with the Commission, copies of its annual report and the information, documents and other reports that are specified in Sections 13 and 15(d) of the Exchange Act. In addition, the Issuer shall furnish to the Trustee and the Holders, promptly upon their becoming available, copies of the annual report to shareholders and any other information provided by the Issuer to its public shareholders generally. The Issuer also will comply with the other provisions of Section 314(a) of the TIA.

*Future Note Guarantors.* The Issuer shall cause each Restricted Subsidiary that becomes a guarantor of borrowings of the Issuer under the Credit Agreement to become a Note Guarantor, and, if applicable, to execute and deliver to the Trustee a supplemental guarantee pursuant to which such Restricted Subsidiary will guarantee payment of the Senior Subordinated Notes.

*Limitation on Lines of Business.* The Issuer shall not, and shall not permit any of its Subsidiaries directly or indirectly to engage in any business other than business of the type engaged in at the date hereof and any business reasonably related, complementing or ancillary thereto or a reasonable expansion thereof.

*Sale of Assets of the BRCOM Group.* Notwithstanding any provision contained herein, the execution and delivery of the Agreement for the Purchase and Sale of Assets dated as of February 22, 2003, as amended on June 6, 2003 and June 13, 2003 (the BCSI Purchase Agreement ) by and between BCSI, BCSIVA Inc. (f/k/a Broadwing Communications Services of Virginia, Inc.), Broadwing Communications Real Estate Services LLC, BRWSVCS LLC (f/k/a Broadwing Services LLC), IXC Business Services LLC, BRWL LLC (f/k/a Broadwing Logistics LLC), BTI Inc. (f/k/a Broadwing Telecommunications Inc.), IXC Internet Services, Inc., and MSM Associates, Limited Partnership, on the one side, and C III Communications, LLC, and C III Communications Operations, LLC, on the other side, and the performance by the Issuer and its Subsidiaries of all transactions contemplated thereby shall be permitted by, and shall not constitute a Default or Event of Default under, the Indenture.

### **Merger and Consolidation**

The Issuer will not consolidate with or merge with or into (whether or not the Issuer is the surviving corporation), or directly and/or indirectly through its Subsidiaries sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties and assets of the Issuer and the Restricted Subsidiaries taken as a whole in one or more related transactions, to any other Person, unless:

(1) the resulting, surviving or transferee Person (the Successor Issuer ) shall be a corporation organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and the Successor Company (if not the Issuer) shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in Form satisfactory to the Trustee, all the obligations of the Issuer under the Senior Subordinated Notes and the Indenture;

(2) immediately after giving effect to such transaction (and treating any Indebtedness which becomes an obligation of the Successor Company or any Restricted Subsidiary as a result of such



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transaction as having been Incurred by the Successor Company or such Restricted Subsidiary at the time of such transaction), no Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction, the Successor Company would be able to Incur an additional \$1.00 of Indebtedness under paragraph (a) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; and

(4) the Issuer shall have delivered to the Trustee an Officers Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) are permitted by and comply with the Indenture.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture, but the predecessor Company in the case of a conveyance, transfer or lease of all or substantially all its assets will not be released from the obligation to pay the principal of and interest on the Senior Subordinated Notes.

Notwithstanding the foregoing:

(A) any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Issuer or any Note Guarantor; and

(B) the Issuer may merge with an Affiliate incorporated solely for the purpose of reincorporating the Issuer in another jurisdiction to realize tax or other benefits.

The restrictions contained in this Section Merger and Consolidation shall not apply to any disposition of properties or assets of the BRCOM Group.

**Defaults**

Each of the following is an Event of Default:

(1) a default in any payment of interest on any Senior Subordinated Note when due and payable or in any payment of additional interest continued for 30 days;

(2) a default in the payment of principal of any Senior Subordinated Note when due and payable at its Stated Maturity, upon required redemption or repurchase, upon declaration or otherwise;

(3) the failure of the Issuer or any Subsidiary to comply with its obligations under the covenant described under Merger and Consolidation above;

(4) the failure by the Issuer or any Subsidiary to comply for 30 days after notice with any of its obligations under the covenants described under Change of Control (other than a failure to purchase Senior Subordinated Notes), or Certain Covenants above;

(5) the failure by the Issuer or any Subsidiary to comply for 60 days after notice with its other agreements contained in the Senior Subordinated Notes or the Indenture;

(6) the failure by the Issuer or any Subsidiary to pay any Indebtedness within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default if the total amount of such Indebtedness unpaid or accelerated exceeds \$20 million or its foreign currency equivalent (the cross acceleration provision );

(7) the rendering of any judgment or decree for the payment of money in excess of \$30 million or its foreign currency equivalent against the Issuer or a Subsidiary if such judgment or decree remains outstanding for a period of 60 days following such judgment and is not discharged, waived or stayed, and is not adequately covered by insurance or indemnities which have been cash collateralized (the judgment default provision ); and

(8) certain events of bankruptcy, insolvency or reorganization of the Issuer or a Significant Subsidiary (the bankruptcy provisions ).

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The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clauses (4) or (5) will not constitute an Event of Default until the Trustee notifies the Issuer or the Holders of at least 25% in principal amount of the outstanding Senior Subordinated Notes notify the Issuer and the Trustee of the default and the Issuer does not cure such default within the time specified in clauses (4) or (5) hereof after receipt of such notice.

If an Event of Default (other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the outstanding Senior Subordinated Notes by notice to the Issuer may declare the principal of and accrued but unpaid interest on all the Senior Subordinated Notes to be due and payable. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer occurs, the principal of and interest on all the Senior Subordinated Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holders. Under certain circumstances, the Holders of a majority in principal amount of the outstanding Senior Subordinated Notes may rescind any such acceleration with respect to the Senior Subordinated Notes and its consequences.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Senior Subordinated Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the outstanding Senior Subordinated Notes have requested the Trustee in writing to pursue the remedy;

(3) such Holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(5) the Holders of a majority in principal amount of the outstanding Senior Subordinated Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in principal amount of the outstanding Senior Subordinated Notes will be given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

If a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each Holder notice of the Default within 30 days after it is known to a Trust Officer or written notice of it is received by the Trustee. Except in the case of a Default in the payment of principal of, premium (if any) or interest on any Senior Subordinated Note (including payments pursuant to the redemption provisions of such Senior Subordinated Note), the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is

in the interests of the Holders. In addition, the Issuer will be required to deliver to the Trustee, within 90 days after the end of each fiscal year, a certificate indicating

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whether the signers thereof know of any Default that occurred during the previous year. The Issuer shall also comply with Section 314(a) (4) of the TIA.

**Amendments and Waivers**

Subject to certain exceptions, the Indenture or the Senior Subordinated Notes may be amended with the written consent of the Holders of a majority in principal amount of the Senior Subordinated Notes then outstanding and any past default or compliance with any provisions may be waived with the consent of the Holders of a majority in principal amount of the Senior Subordinated Notes then outstanding. However, without the consent of each Holder of an outstanding Senior Subordinated Note affected, no amendment may, among other things:

- (1) reduce the amount of Senior Subordinated Notes whose Holders must consent to an amendment;
  - (2) reduce the rate of or extend the time for payment of interest or any additional interest on any Senior Subordinated Note;
  - (3) reduce the principal of or change the Stated Maturity of any Senior Subordinated Note;
  - (4) reduce the premium payable upon the redemption of any Senior Subordinated Note or change the time at which any Senior Subordinated Note may be redeemed as described under Optional Redemption above;
  - (5) make any Senior Subordinated Note payable in money other than that stated in the Senior Subordinated Note;
  - (6) impair the right of any Holder to receive payment of principal of, and interest or any additional interest on, such Holder's Senior Subordinated Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Senior Subordinated Notes;
  - (7) make any change in the amendment provisions which require each Holder's consent or in the waiver provisions;
  - (8) make any change in the ranking or priority of any Senior Subordinated Note or Note Guarantee that would adversely affect the Holders; or
  - (9) release, other than in accordance with the Indenture, any Note Guarantee or collateral securing the Senior Subordinated Notes.
- Without the consent of any Holder, the Issuer, the Note Guarantors and the Trustee may amend the Indenture to:
- (1) cure any ambiguity, omission, defect or inconsistency;
  - (2) provide for the assumption by a successor corporation of the obligations of the Issuer under the Indenture;
  - (3) provide for uncertificated Senior Subordinated Notes in addition to or in place of certificated Senior Subordinated Notes (*provided, however*, that the uncertificated Senior Subordinated Notes are issued in registered Form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Senior Subordinated Notes are described in Section 163(f) (2) (B) of the Code);
  - (4) add additional Guarantees with respect to the Senior Subordinated Notes;
  - (5) secure the Senior Subordinated Notes;



(6) add to the covenants of the Issuer for the benefit of the Holders or to surrender any right or power conferred upon the Issuer;

(7) make any change that does not adversely affect the rights of any Holder, subject to the provisions of the indenture;

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(8) provide for the issuance of the Exchange Notes or Additional Notes;

(9) comply with any requirement of the Commission in connection with the qualification of the Indenture under the TIA; or

(10) change the name or title of the Senior Subordinated Notes, and any conforming changes related thereto.

However, no amendment may be made to the subordination provisions of the Indenture that adversely affects the rights of any holder of Senior Indebtedness of the Issuer or a Note Guarantor then outstanding unless the holders of such Senior Indebtedness (or any group or Representative thereof authorized to give a consent) consent to such change.

The consent of the Holders will not be necessary to approve the particular Form of any proposed amendment. It will be sufficient if such consent approves the substance of the proposed amendment.

After an amendment becomes effective, the Issuer is required to mail to Holders a notice briefly describing such amendment. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment.

**Transfer and Exchange**

A Holder will be able to transfer or exchange Senior Subordinated Notes. Upon any transfer or exchange, the registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes required by law or permitted by the Indenture. The Issuer will not be required to transfer or exchange any Senior Subordinated Note selected for redemption or to transfer or exchange any Senior Subordinated Note for a period of 15 days prior to a selection of Senior Subordinated Notes to be redeemed. The Senior Subordinated Notes will be issued in registered form and the Holder will be treated as the owner of such Senior Subordinated Note for all purposes.

**Defeasance**

The Issuer may at any time terminate all its obligations under the Senior Subordinated Notes and the Indenture ( legal defeasance ), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Senior Subordinated Notes, to replace mutilated, destroyed, lost or stolen Senior Subordinated Notes and to maintain a registrar and paying agent in respect of the Senior Subordinated Notes.

In addition, the Issuer may at any time terminate:

(1) its obligations under the covenants described under Change of Control and Certain Covenants ;

(2) the operation of the cross acceleration provision, the bankruptcy provisions with respect to Significant Subsidiaries and the judgment default provision described under Defaults above and the limitations contained in clause (3) under Merger and Consolidation above ( covenant defeasance ).

In the event that the Issuer exercises its legal defeasance option or its covenant defeasance option, each Note Guarantor will be released from all of its obligations with respect to its Note Guarantee.

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Senior Subordinated Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercises its covenant defeasance option, payment of the Senior Subordinated Notes may not be accelerated because of an Event of Default specified in clause (4), (6), (7) or (8) (with respect only to Significant Subsidiaries) under Defaults above or because of the failure of the Issuer to comply with clause (3) under Merger and Consolidation above.

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In order to exercise either defeasance option, the Issuer must irrevocably deposit in trust (the defeasance trust ) with the Trustee money in an amount sufficient or U.S. Government Obligations, the principal of and interest on which will be sufficient, or a combination thereof sufficient, to pay the principal of, premium (if any) and interest on, and additional interest, if any, in respect of the Senior Subordinated Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that Holders will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or other change in applicable Federal income tax law).

### **Concerning the Trustee**

The Bank of New York is the Trustee under the Indenture and has been appointed by the Issuer as Registrar and Paying Agent with regard to the Senior Subordinated Notes.

### **Governing Law**

The Indenture and the Senior Subordinated Notes are governed by, and construed in accordance with, the laws of the State of New York without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby.

### **Certain Definitions**

**Acquired Indebtedness** means, with respect to any specified Person, (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including, without limitation, Indebtedness Incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person at the time such asset is acquired by such specified Person.

**Affiliate** means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, control (including, with correlative meanings, the terms controlling, controlled by and under common control with ) used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided, however*, that, for purposes of the covenant described under **Certain Covenants Transactions With Affiliates** only, in the case of the Issuer or any of its Subsidiaries beneficial ownership of 10% or more of the Voting Stock in the Issuer or such Subsidiary, as the case may be, shall be deemed to be control; *provided, further*, that, for purposes of the covenant described under **Certain Covenants Transactions With Affiliates** , AT&T Wireless Services shall not be deemed to control CBW or its Subsidiaries solely by virtue of its ownership of more than 10% of the Voting Stock of CBW unless and until such time as AT&T Wireless Services shall own more than 110% of the percentage of Voting Stock of CBW that it owns as of the Closing Date. Notwithstanding the foregoing, in no event will any Holder, any lender under the Credit Agreement, any holder of the Senior Notes or any holder of the 16% Notes or any of their respective Affiliates be deemed to be an Affiliate of the Issuer or any of its Subsidiaries solely by virtue of purchasing or holding any such securities or being such a lender.

**Applicable Law** means all laws, statutes, rules, regulation and orders of, and legally binding interpretations by, any Governmental Authority any judgments, decrees, injunctions, writs, permits, orders or like governmental action of any Governmental Authority applicable to the Issuer or any of its Subsidiaries or any of their properties, assets or operation, excluding Environmental Laws.

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Asset Disposition means the disposition by the Issuer or any Restricted Subsidiary of the Issuer whether by sale, issuance, lease (as lessor (other than under operating leases)), transfer, loss, damage, destruction, condemnation or other transaction (including any merger or consolidation) or series of related transactions of any of the following:

(1) any of the Capital Stock of any of the Issuer's Restricted Subsidiaries;

(2) all or substantially all of the assets of the Issuer or any of its Restricted Subsidiaries (it being understood and agreed that the disposition of the BRCOM Group or any assets of the BRCOM Group does not constitute a disposition of all or substantially all of the assets of the Issuer or any of its Restricted Subsidiaries); or

(3) any other assets of the Issuer or any of its Restricted Subsidiaries.

Notwithstanding the foregoing, Asset Disposition shall be deemed not to include:

(A) a transfer of assets by the Issuer to a Restricted Subsidiary of the Issuer, or by a Restricted Subsidiary of the Issuer to the Issuer or to another Restricted Subsidiary of the Issuer;

(B) an issuance of Capital Stock by a Subsidiary of the Issuer to the Issuer or to a Restricted Subsidiary of the Issuer;

(C) a Restricted Payment that is permitted by the covenant described under Certain Covenants Restricted Payments ;

(D) a Permitted Investment;

(E) any conversion of Cash Equivalents into cash or any other Form of Cash Equivalents;

(F) any foreclosure on assets;

(G) sales or dispositions of past due accounts receivable or notes receivable in the Ordinary Course of Business;

(H) transactions permitted under Merger and Consolidation ;

(I) grants of credits and allowances in the Ordinary Course of Business;

(J) operating leases or the sublease of real or personal property or licenses of intellectual property, in each case, on commercially reasonable terms entered into in the Ordinary Course of Business;

(K) trade-ins or exchanges of equipment or other fixed assets;

(L) the sale and leaseback of any assets within 180 days of the acquisition thereof;

(M) sales of damaged, worn-out or obsolete equipment or assets that, in the Issuer's reasonable judgment, are no longer either used or useful in the business of the Issuer or its Subsidiaries;

(N) dispositions of inventory in the Ordinary Course of Business;

(O) the disposition of cash or investment securities in the ordinary course of management of the investment portfolio of the Issuer and its applicable Subsidiaries;

(P) sales of assets with a fair market value of less than \$500,000; or

(Q) sales of other assets with a fair market value not to exceed \$5 million in the aggregate in any fiscal year.

Attributable Debt in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value (discounted at the implicit rate of interest borne by the Senior Subordinated Notes including any pay-in-kind interest and amortization discount) determined in accordance with GAAP of the obligation of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

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**BCSI** means BCSI Inc. (f/k/a Broadwing Communications Services Inc.), a Subsidiary of BRCOM.

**Board** or **Board of Directors** means, as to any Person, the board of directors, the board of advisors or other similar governing body of such Person.

**BRCOM** means BRCOM Inc. (f/k/a Broadwing Communications Inc.), a Delaware corporation.

**BRCOM Group** means BRCOM and its Subsidiaries.

**Business Day** means each day which is not a Legal Holiday.

**Capital Expenditures** means, for any period and with respect to any Person, the aggregate of all expenditures by such Person and its Subsidiaries for the acquisition or leasing of fixed or capital assets or additions to fixed or capital assets (including replacements, capitalized repairs and improvements during such period) which should be capitalized under GAAP on a consolidated balance sheet of such Person and its Subsidiaries.

**Capitalized Lease Obligations** means, at the time any determination thereof is to be made, an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease.

**Capital Stock** of any Person means any and all shares, interests, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities including those convertible into such equity.

**Cash Equivalents** means (1) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof; (2) commercial paper maturing no more than one year from the date of acquisition and issued by a corporation organized under the laws of the United States that has a rating of at least A-1 from S&P or at least P-1 from Moody's; (3) time deposits maturing no more than thirty (30) days from the date of creation, certificates of deposit, money market deposits or bankers' acceptances maturing within one year from the date of acquisition thereof issued by, or overnight reverse repurchase agreements from, any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia having combined capital, surplus and undivided profits of not less than \$250,000,000; (4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (3) above; (5) deposits or investments in mutual or similar funds offered or sponsored by brokerage or other companies having membership in the Securities Investor Protection Corporation and having combined capital and surplus of not less than \$250,000,000; and (6) other money market accounts or mutual funds which invest primarily in the securities described above.

**CBW** means Cincinnati Bell Wireless LLC, an Ohio limited liability company.

**CBW Co.** means Cincinnati Bell Wireless Company, an Ohio corporation.

**Centralized Cash Management System** means the cash management system referred to in Section 5.02(f) (ix) of the Credit Agreement as in effect on the date hereof and described in Schedule 5.01(r) thereof.

**Closing Date** means the date of the Indenture.

**Code** means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

**Commission** means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the Closing Date such Commission is not existing and performing the duties now assigned to it under the Exchange Act, the body performing such duties at such time.

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Consolidated or consolidated (including the correlative term consolidating or on a consolidated basis ) when used with reference to any financial term in the Indenture, means the consolidation for two or more Persons of the amounts signified by such term for all such Persons, with intercompany items eliminated in accordance with GAAP.

Consolidated Adjusted Debt means the sum of (a) Indebtedness of the Issuer and its Restricted Subsidiaries (exclusive of Indebtedness of the type that could be Incurred under clause (6) or (8) or paragraph (b) under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ) determined on a consolidated basis in accordance with GAAP.

Consolidated Adjusted Debt to EBITDA Ratio means, as of any date of determination, the ratio of (a) Consolidated Adjusted Debt as of such date to (b) Consolidated EBITDA for the applicable four-quarter period ending on the last day of the most recently ended quarter for which consolidated financial statements of the Issuer and its Restricted Subsidiaries are available.

Consolidated EBITDA means for the applicable period of measurement, the Consolidated Net Income of the Issuer and its Restricted Subsidiaries on a consolidated basis, plus, without duplication, the following for the Issuer and its Restricted Subsidiaries to the extent deducted in calculating such Consolidated Net Income: (1) Consolidated Interest Expense for such period, plus (2) provisions for taxes based on income, plus (3) total depreciation expense, plus (4) total amortization expense, plus (5) other non-cash items reducing Consolidated Net Income (excluding any such non-cash Item to the extent that it represents an accrual or reserve for potential cash items in any future period or amortization of a prepaid cash item) less other non-cash items increasing Consolidated Net Income (excluding any such non-cash Item to the extent it represents the reversal of an accrual or reserve for potential cash Item in any prior period), plus (6) charges taken in accordance with SFAS 142, plus (7) all net cash extraordinary losses less net cash extraordinary gains.

Consolidated Interest Expense means for the applicable period of measurement of the Issuer and its Restricted Subsidiaries on a consolidated basis, the aggregate interest expense for such period determined in accordance with GAAP (including all commissions, discounts, fees and other charges in connection with standby letters of credit and similar instruments) for the Issuer and its Restricted Subsidiaries on a consolidated basis, but excluding all amortization of financing fees and other charges incurred by the Issuer and its Restricted Subsidiaries in connection with the issuance of Indebtedness.

Consolidated Net Income means for any period the net income (or loss) before provision for dividends on Preferred Stock of the Issuer and its Restricted Subsidiaries on a consolidated basis for such period determined in conformity with GAAP, but excluding, without duplication, the following clauses (1) through (6) to the extent included in the computations thereof:

(1) the income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary of the Issuer or is merged into or consolidated with the Issuer or any of its Restricted Subsidiaries or that Person's assets are acquired by the Issuer or any of its Restricted Subsidiaries;

(2) the income (or loss) of any Person (other than the Issuer or a Restricted Subsidiary) in which such Person has an interest except to the extent of the amount of dividends or other distributions actually paid to the Issuer or a Restricted Subsidiary (which amount shall be included in Consolidated Net Income);

(3) the income of any Restricted Subsidiary of the Issuer to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary (except to the extent of the amount of dividends or similar distributions actually lawfully paid to the Issuer or a Restricted Subsidiary);

(4) any after tax gains or losses attributable to Asset Dispositions or returned surplus assets of any pension plan;





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(5) (to the extent not included in clauses (1) through (4) above) (i) any net extraordinary gains or net extraordinary losses or (ii) any net non-recurring gains or non-recurring losses to the extent attributable to Asset Dispositions, the exercise of options to acquire Capital Stock and the extinguishment of Indebtedness; and

(6) cumulative effect of a change in accounting principles.

**Consolidated Total Assets** means, as at any date of determination, the aggregate amount of assets reflected on the consolidated balance sheet of the Issuer and its Restricted Subsidiaries (excluding, however, for the avoidance of doubt the assets of the BRCOM Group) prepared in accordance with GAAP most recently delivered to the Holders pursuant to the covenant described under **Certain Covenants** **Commission Reports** .

**Convertible Preferred Stock** means the 2 1/4% Cumulative Convertible Preferred Stock of the Issuer.

**Credit Agreement** means the Amendment and Restatement of the Credit Agreement, dated as of November 9, 1999, as amended and restated as of January 12, 2000 and as of March 26, 2003, as amended, by and among the Issuer, BCSI, the lenders party thereto from time to time, Bank of America, N.A., as syndication agent, Citicorp USA, Inc., as administrative agent and certain other agents, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents), in each case as such agreement or agreements may be amended (including any amendment and restatement thereof), restated, supplemented, replaced, restructured, waived, Refinanced or otherwise modified from time to time, including any amendment, supplement, modification or agreement adding Subsidiaries of the Issuer as additional borrowers or guarantors thereunder or extending the maturity of, Refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or any successor or replacement agreement, and whether by the same or any other agent, lender or group of lenders or one or more agreements, contracts, indentures or otherwise.

**Credit Documents** means the Credit Agreement, any Secured Hedge Agreement that is secured under (and as defined in) the Credit Agreement, and all certificates, instruments, financial and other statements and other documents and agreements made or delivered from time to time in connection therewith and related thereto.

**Currency Agreement** means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect the Issuer or any Subsidiary of the Issuer against fluctuations in currency values.

**Default** means any event, act or condition that is, or with the giving of notice, lapse of time or both would constitute, an Event of Default.

**Designated Senior Indebtedness** means:

(1) the Indebtedness under the Credit Documents;

(2) the Indebtedness under the 7 1/4% Notes; and

(3) any other Senior Indebtedness of the Issuer that, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least \$25 million and is specifically designated by the Issuer in the instrument evidencing or governing such Senior Indebtedness as **Designated Senior Indebtedness** for purposes of the Indenture; *provided* that the Company shall so advise the Trustee.

**Disqualified Capital Stock** means that portion of any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event (other than an event which would constitute a Change of Control or Asset Disposition), matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the sole option of the holder thereof (except, in each case, upon the occurrence of a Change of Control or Asset Disposition) on or prior to the Stated Maturity.

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**Environmental Laws** means all applicable foreign, federal, state or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative orders, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authorities, in each case relating to environmental, health, safety and land use matters; including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Clean Air Act, the Federal Water Pollution Control Act of 1972, the Solid Waste Disposal Act, the Federal Resource Conservation and Recovery Act, the Toxic Substances Control Act, and the Emergency Planning and Community Right-to-Know Act.

**Equity Offering** means a public or private sale for cash of Capital Stock (other than Disqualified Stock or Preferred Stock) of the Issuer.

**Exchange Act** means the Securities Exchange Act of 1934, as amended.

**Exchange Guarantee** means each Guarantee of the obligations with respect to the Exchange Notes issued by a Person.

**Exchange Note** means the senior subordinated debt securities to be issued by the Issuer pursuant to the Registration Rights Agreement. Exchange Note, as used in this section, means the New Senior Subordinated Notes.

**Existing Indebtedness** means all Indebtedness of the Issuer and its Restricted Subsidiaries existing as of the Closing Date (after giving effect to the redemption, repurchase, repayment or prepayment of Indebtedness out of the proceeds of the Senior Subordinated Notes, but excluding any Indebtedness outstanding under the Credit Documents).

**fair market value** means, with respect to any asset or property, the price which could be negotiated in an arm's-length transaction between a willing seller and a willing and able buyer. Unless otherwise expressly required elsewhere herein, fair market value will be determined in good faith and, for transactions involving an aggregate consideration greater than \$10 million, by resolution of the Board of Directors of the Issuer, and any such determination shall be conclusive absent a manifest error.

**fiscal year** means a fiscal year of the Issuer and its Restricted Subsidiaries ending on December 31 of any calendar year.

**GAAP** means United States generally accepted accounting principles as of the Closing Date, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entities as have been approved by a significant segment of the accounting profession.

**Governmental Authority** means (a) the government of the United States of America or any State or other political subdivision thereof, (b) any government or political subdivision of any other jurisdiction in which the Issuer or any of its Subsidiaries conducts all or part of its business, or which properly asserts jurisdiction over any properties of the Issuer or any of its Subsidiaries or (c) any entity properly exercising executive, legislative, judicial, regulatory or administrative function of any such government.

**Guarantee** means a guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

**Hedge Agreements** means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other hedging agreements.

**Hedge Bank** means any lender party under the Credit Agreement or an Affiliate of such a lender party in its capacity as a party to a Secured Hedge Agreement.

**Holder** means the Person in whose name a Senior Subordinated Note is registered at the Registrar.

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**Incur** means create, incur, issue, assume, Guarantee or otherwise become directly or indirectly liable, contingently or otherwise (including by operation of law).

**Indebtedness** means, with respect to any Person on any date of determination, without duplication:

- (1) the principal of and premium (if any) in respect of indebtedness of such Person for borrowed money;
- (2) the principal of and premium (if any) in respect of indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all Capitalized Lease Obligations and all Attributable Debt of such Person;
- (4) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations and all obligations under any title retention agreement, in each case to the extent the purchase price is due more than six months from the date the obligation is Incurred (but excluding trade accounts payable and other accrued liabilities arising in the Ordinary Course of Business);
- (5) all obligations for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction;
- (6) Guarantees and other contingent obligations in respect of Indebtedness referred to in clauses (1) through (5) above and clause (8) below;
- (7) all obligations of any other Person of the type referred to in clauses (1) through (6) which are secured by any Lien on any property or asset of such Person, the amount of such obligation being deemed to be the lesser of the fair market value of such property or asset or the amount of the obligation so secured;
- (8) all obligations under Currency Agreements and all Interest Swap Obligations of such Person; and
- (9) all obligations represented by Disqualified Capital Stock of such person.

**Independent Qualified Party** means an investment banking firm, accounting firm or appraisal firm, in each case, of national standing; *provided, however*, that such firm is not an Affiliate of the Issuer; and, *provided, further*, that for transactions involving consideration of \$100,000,000 or more, the term **Independent Qualified Party** shall be limited to an investment banking firm of national standing only, unless, with respect to any such transaction, (x) the Issuer delivers to the Trustee and the Required Holders an Officers' Certificate to the effect that no investment bank will opine on commercially reasonable terms on such transaction and that it proposes instead to engage an accounting firm of national standing (and stating the identity of such accounting firm) and (y) within fifteen (15) days after the delivery of such Officers' Certificate the Issuer does not receive a written notice from the Required Holders reasonably objecting to the Issuer's proposal set forth in the Officers' Certificate, in which case the term **Independent Qualified Party** for such transaction may also include such accounting firm.

**Interest Swap Obligations** means the Obligations of any Person pursuant to any arrangement with any other Person, whereby, directly or indirectly, such Person is entitled to receive from time to time periodic payments calculated by applying either a floating or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such other Person calculated by applying a fixed or a floating rate of interest on the same notional amount and shall include, without limitation, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or of which it is a beneficiary.

**Investment** means (a) any direct or indirect purchase or other acquisition by the Issuer or any of its Restricted Subsidiaries of any beneficial interest in, including stock, partnership interest or other Capital Stock of, or ownership

interest in, any other Person; and (b) any direct or indirect loan, advance or capital

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contribution by the Issuer or any of its Restricted Subsidiaries to any other Person, including all indebtedness and accounts receivable from that other Person that did not arise from sales to or services provided to that other Person in the Ordinary Course of Business. For purposes of the covenant described under Certain Covenants Restricted Payments :

(1) Investment shall include and be valued at the fair market value of the net assets of any Restricted Subsidiary of the Issuer (to the extent of the Issuer's percentage ownership therein) at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary of the Issuer and shall exclude the fair market value of the net assets of any Unrestricted Subsidiary of the Issuer (to the extent of the Issuer's percentage ownership therein) at the time that such Unrestricted Subsidiary is designated a Restricted Subsidiary of the Issuer; and

(2) the amount of any Investment shall be the original cost of such Investment plus the costs of all additional Investments by the Issuer or any of its Restricted Subsidiaries, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment, reduced by the payment of dividends or distributions in connection with such Investment or any other amounts received in respect of such Investment; *provided* that no such payment of dividends or distributions or receipt of any such other amounts shall reduce the amount of any Investment if such payment of dividends or distributions or receipt of any such amounts would be included in Consolidated Net Income (upon the consummation of the 2005 Refinancing, certain covenants and restrictions in the indenture governing the 2003 Notes with respect to the BRCOM Group ceased to apply).

Legal Holiday means a Saturday, a Sunday or a day on which banking institutions in New York or Ohio or at a place of payment are authorized by law, regulation or executive order to remain closed. If any payment date in respect of the Senior Subordinated Notes is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

Lien means any lien, mortgage, pledge, security interest, charge, encumbrance or governmental levy or assessment of any kind, whether voluntary or involuntary (including any conditional sale or other title retention agreement and any lease in the nature thereof).

Net Cash Proceeds, with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

Net Proceeds means cash proceeds actually received by the Issuer or any of its Restricted Subsidiaries from any Asset Disposition (including insurance proceeds, awards of condemnation, and payments under notes or other debt securities received in connection with any Asset Disposition), net of (1) the costs of such sale, issuance, lease, transfer or other disposition (including all legal, title and recording tax expenses, commissions and other fees and expenses incurred and all taxes required to be paid or accrued as a liability under GAAP as a consequence of such sale, lease or transfer), (2) amounts applied to repayment of Indebtedness (other than revolving credit Indebtedness under the Credit Agreement, without a corresponding reduction in the revolving credit commitment) secured by a Lien on the asset or property disposed of, (3) if such Asset Disposition involves the sale of a discrete business or product line, any accrued liabilities of such business or product line required to be paid or retained by the Issuer or any of its Restricted Subsidiaries as part of such disposition, (4) appropriate amounts to be provided by the Issuer or a Restricted Subsidiary, as the case may be, as a reserve, in accordance with GAAP, against any liabilities associated with an Asset Disposition and retained by the Issuer or such Restricted Subsidiary, as the case may be, after such Asset Disposition, including, without limitation, pension and benefit liabilities, liabilities related to environmental matters or liabilities under any indemnification obligations associated with such Asset Disposition and (5) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition, but only to the extent required by constituent documents of such Subsidiary or such joint venture.

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Note Guarantee as used in this section means each Guarantee of the obligations with respect to the Senior Subordinated Notes issued by a Person pursuant to the terms of the Indenture.

Note Guarantor means any Person that has issued a Note Guarantee.

Obligations means all obligations for principal, premium (if any), interest, penalties, fees, indemnification, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

Officers Certificate of the Issuer means a certificate signed on behalf of the Issuer by two Persons, one of which shall be any of the following: the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Chief Accounting Officer or the Treasurer (or any such other officer that performs similar duties) of the Issuer, and the other one shall be any of the following: the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, any Vice President, the Chief Financial Officer, the Chief Accounting Officer, the Treasurer, the Assistant Treasurer, Controller, the Secretary or an Assistant Secretary (or any such other officer that performs similar duties) of the Issuer. One of the officers signing an Officers Certificate described in the penultimate sentence under Defaults shall be the principal executive, financial or accounting officer or treasurer of the Issuer.

Opinion of Counsel means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Issuer or the Trustee.

Ordinary Course of Business means, in respect of any transaction involving the Issuer or any Restricted Subsidiary of the Issuer, the ordinary course of such Person's business, as conducted by any such Person in accordance with past practice and undertaken by such Person in good faith.

Permits means all licenses, permits, certificates of need, approvals and authorizations from all Governmental Authorities required to lawfully conduct a business.

Permitted Acquisition means the purchase by the Issuer or a Restricted Subsidiary of the Issuer of all or substantially all of the assets of a Person whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Restricted Subsidiaries were engaged on the Closing Date, or any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person, if as a result of such Investment (1) such person and each Subsidiary of such Person becomes a Restricted Subsidiary of the Issuer whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Restricted Subsidiaries were engaged on the Closing Date or (2) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, a Restricted Subsidiary of the Issuer and whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Subsidiaries were engaged on the Closing Date.

Permitted Adjustments means, for the purpose of calculating the Leverage Test, pro forma adjustments arising out of events (including cost savings resulting from head count reduction, closure of facilities and similar restructuring charges) which are directly attributable to a specific transaction, are factually supportable and are expected to have a continuing impact, which would be permitted by Article 11 of Regulation S-X promulgated under the Securities Act and as interpreted by the staff of the Commission; *provided* that such adjustments are set forth in an Officers Certificate signed by the Issuer's chief financial officer and another officer which states (1) the amount of such adjustment or adjustments, (2) that such adjustment or adjustments are based on the reasonable good faith beliefs of the officers executing such Officers Certificate at the time of such execution and (3) that any related Incurrence of Indebtedness is permitted pursuant to the Indenture.

Permitted Asset Swap means any transfer of properties or assets by the Issuer or any of its Restricted Subsidiaries in which the consideration received by the transferor consists of like properties or assets to be used in the business of the Issuer or its Restricted Subsidiaries in the same or similar manner as such transferred properties or assets; *provided* that (1) the fair market value (determined in good faith by the Board of Directors of the Issuer) of properties or assets received by the Issuer or any of its Restricted

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Subsidiaries in connection with such Permitted Asset Swap is at least equal to the fair market value (determined in good faith by the Board of Directors of the Issuer) of properties or assets transferred by the Issuer or such Restricted Subsidiary in connection with such Permitted Asset Swap and (2) the aggregate fair market value of assets transferred by the Issuer in connection with all Permitted Asset Swaps after the Closing Date does not exceed 10% of Consolidated Total Assets.

Permitted Investments means:

- (1) (A) any Investment in (including, without limitation, loans and advances to) the Issuer or a Restricted Subsidiary of the Issuer whose primary business is the same, related, ancillary or complementary to the business in which the Issuer and its Subsidiaries were engaged in on the date of such Investment and (B) any acquisition by the Issuer or a Restricted Subsidiary of the Issuer of beneficial interest in a Restricted Subsidiary of the Issuer from another Restricted Subsidiary of the Issuer or the Issuer;
- (2) any Investment in Cash Equivalents or the Senior Subordinated Notes;
- (3) any Investment related to or arising out of a Permitted Acquisition;
- (4) any Investment which results from the receipt of non-cash consideration from an asset sale made pursuant to and in compliance with the provisions of the covenant described under Certain Covenants Asset Dispositions or from any sale or other disposition of assets not constituting an Asset Disposition;
- (5) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the Ordinary Course of Business;
- (6) receivables owing to the Issuer or any Restricted Subsidiary if created or acquired in the Ordinary Course of Business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;
- (7) loans and advances to employees made in the Ordinary Course of Business not to exceed \$2 million in the aggregate at any time outstanding; *provided, however*, for purposes of this definition, advances will not restrict advances for travel, moving or relocation expense to employees advanced and repaid in the Ordinary Course of Business;
- (8) loans and advances not to exceed \$2 million at any time outstanding to employees of the Issuer or its Subsidiaries for the purpose of funding the purchase of Capital Stock of the Issuer by such employees;
- (9) any Investments received as part of the settlement of litigation or in satisfaction of extensions of credit to any Person otherwise permitted under the Indenture pursuant to the reorganization, bankruptcy or liquidation of such Person or a good faith settlement of debts by said Person;
- (10) any Investment existing on the Closing Date, any Investment received as a distribution in respect of such existing investment and any investment received in exchange for such existing Investment; *provided* that, in the case of an exchange, the fair market value (as determined in good faith by the Board of Directors of the Issuer) of the investment being exchanged is at least equal to the fair market value (as determined in good faith by the Board of Directors of the Issuer) of the Investment for which such Investment is being exchanged;
- (11) Investments of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary of the Issuer or at the time such Person merges or consolidates with the Issuer or any of its Restricted

Subsidiaries, in either case in compliance with the Indenture; *provided* such Investments were not made by such Person in connection with or in anticipation or contemplation of such Person becoming a Restricted Subsidiary of the Issuer or such merger or consolidation;



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(12) Investments in stock, obligations or securities received in settlement of debts created in the Ordinary Course of Business or in satisfaction of judgments;

(13) Investments by the Issuer or any Restricted Subsidiary pursuant to an Interest Rate Swap Obligation or a Currency Agreement permitted by clauses (6) or (8) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ;

(14) Investments consisting of debits and credits between BRFS LLC and the Issuer, its Restricted Subsidiaries and Unrestricted Subsidiaries pursuant to the Centralized Cash Management System (upon the consummation of the 2005 Refinancing, certain covenants and restrictions in the indenture governing the 2003 Notes with respect to the BRCOM Group ceased to apply);

(15) Investments consisting of loans, advances and payables due from suppliers or customers made by the Issuer or its Restricted Subsidiaries in the Ordinary Course of Business;

(16) Investments that may be deemed to arise out from the cashless exercise by employees of the Issuer of rights, options or warrants to purchase Capital Stock of the Issuer;

(17) Investments the consideration paid for which consists solely of Capital Stock (other than Disqualified Capital Stock) of the Issuer;

(18) Investments in an aggregate amount not in excess of 5% of the Consolidated Total Assets for any Investments valued as of the date such Investment is made, including, without limitation, joint ventures; and

(19) Investments the consideration for which was paid by a Person other than the Issuer or any of its Restricted Subsidiaries, without recourse to the Issuer or its Restricted Subsidiaries.

Permitted Liens means:

(1) Liens to secure the performance of statutory obligations, surety or appeal bonds, letters of credit or other obligations of a like nature incurred in the Ordinary Course of Business;

(2) Liens for taxes, assessments and governmental charges, levies or claims that are (x) not yet due and payable or (y) which are due and payable and are being contested in good faith by appropriate proceedings so long as such proceedings stay enforcement of such Liens;

(3) any Lien arising out of a judgment or award not constituting an Event of Default;

(4) statutory Liens of landlords, carriers, warehousemen, mechanics, materialmen, workmen, repairmen and other similar liens imposed by law, which are incurred in the Ordinary Course of Business for sums not more than thirty (30) days delinquent or which are being contested in good faith by appropriate proceedings so long as such contest stays enforcement of such Liens;

(5) survey exceptions, easements, rights-of-way, zoning restrictions and other similar charges or encumbrances in respect of real property not interfering in any material adverse respect with the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries;

(6) any interest or title of a lessor under any Capitalized Lease Obligation; *provided* that such Liens do not extend to any property or asset which is not leased property subject to such Capitalized Lease Obligation;

(7) Liens securing purchase money Indebtedness permitted pursuant to clause (3) of paragraph (b) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; *provided, however,* that in the case of purchase money Indebtedness (a) the Indebtedness shall not exceed the cost of such property or assets and shall not be secured by any property or assets of the Issuer or any Restricted Subsidiary of the Issuer other than the property and assets so acquired, constructed, repaired, added to or improved and (b) the Lien securing such Indebtedness shall be created within 180 days after the date of such acquisition or, completion of construction, repair, improvement, addition or commencement of full operation of the property subject to

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the Lien or, in the case of a Refinancing of any purchase money Indebtedness, within 180 days of such Refinancing;

(8) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(9) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof;

(10) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(11) Liens arising from filing Uniform Commercial Code financing statements regarding leases;

(12) Liens in existence on the Closing Date;

(13) Liens on property or shares of Capital Stock of another Person at the time such other Person becomes a Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such other Person becoming a Subsidiary;

(14) leases, subleases, licenses and sublicenses of the type referred to in clause (J) in the second sentence of the definition of "Asset Disposition" granted to third parties in the Ordinary Course of Business;

(15) banker's liens and rights of offset of the holders of Indebtedness of the Issuer or any Restricted Subsidiary on monies deposited by the Issuer or any Restricted Subsidiary with such holders of Indebtedness in the Ordinary Course of Business of the Issuer or any such Restricted Subsidiary;

(16) Liens securing obligations under Interest Swap Obligations or Currency Agreements so long as such obligations relate to Indebtedness that is, and is permitted under the Indenture, to be secured by a Lien on the same property securing such obligations;

(17) Liens to secure any Refinancing (or successive Refinancings) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (12) and (13); *provided, however*, that (i) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements to or on such property) and (ii) the indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness secured by Liens described under clauses (12) and (13) at the time the original Lien became a Permitted Lien under the Indenture and (B) an amount necessary to pay any fees and expenses, including premiums related to such Refinancings;

(18) pledges or deposits to secure obligations under workers' compensation laws or similar legislation or to secure public or statutory obligations;

(19) Liens on property at the time such Person or any of its Subsidiaries acquires the property, including any acquisition by means of a merger or consolidation with or into such Person or a Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such acquisition; *provided, further, however*, that the Liens may not extend to any other property owned by such Person or any of its Subsidiaries; and

(20) other Liens that do not, in the aggregate, secure obligations in an aggregate amount in excess of 5% of Consolidated Total Assets valued as of the date of the Incurrence of any such obligation.

Permitted Refinancing Indebtedness means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to Refinance, other Indebtedness of any such Person; *provided* that (1) the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount plus accrued interest and premium, if any, of the Indebtedness so exchanged or refinanced (plus fees); (2) such Permitted Refinancing Indebtedness has a final maturity date on or later than

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the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being exchanged or refinanced; (3) if the Indebtedness being exchanged or refinanced is subordinated in right of payment to the Senior Subordinated Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Senior Subordinated Notes on terms at least as favorable to the holders of the Senior Subordinated Notes as though contained in the documentation governing the Indebtedness being exchanged or refinanced; and (4) such Permitted Refinancing Indebtedness is incurred by the Issuer or the person who is the obligor on the Indebtedness being exchanged or Refinanced. Permitted Refinancing Indebtedness shall not include Indebtedness Incurred to Refinance Indebtedness originally Incurred in violation of the Indenture or pursuant to clauses (3), (5), (6), (7), (8), (10) or (11) of paragraph (b) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock .

Person means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any entity or substantially all of the assets of any such entity, subdivision or business).

Preferred Stock of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation, and shall include the 6<sup>3</sup>/<sub>4</sub>% Convertible Preferred Stock of the Issuer.

principal of a Senior Subordinated Note means the principal of the Senior Subordinated Note plus the premium, if any, payable on the Senior Subordinated Note which is due or overdue or is to become due at the relevant time.

Refinance means, in respect of any security or Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue a security or Indebtedness in exchange or replacement for, such security or Indebtedness in whole or in part. Refinanced and Refinancing shall have correlative meanings.

Registration Rights Agreement means the Exchange and Registration Rights Agreement to be dated as of issuance of the Senior Subordinated Notes offered hereby among the Issuer, the Note Guarantors and Banc of America Securities LLC as representative of the Initial Purchasers.

Representative means the trustee, agent or representative (if any) for an issue of Senior Indebtedness.

Required Holders means Holders holding more than 50% of the then outstanding aggregate principal amount at Maturity of the Senior Subordinated Notes (exclusive of Senior Subordinated Notes then owned directly or indirectly by the Issuer, or any of its Subsidiaries or Affiliates).

Responsible Officer means the chief executive officer, the president, the chief financial officer, the principal accounting officer or the treasurer (or the equivalent of any of the foregoing) of the Issuer or any of its Subsidiaries or any other officer, partner or member (or person performing similar functions) of the Issuer or any of its Subsidiaries responsible for overseeing the administration of, or reviewing compliance with, all or any portion of the Indenture.

Restricted Subsidiary of any Person means any Subsidiary of such Person which at the time of determination is not an Unrestricted Subsidiary.

Sale and Leaseback Transaction means any direct or indirect arrangement with any Person or to which any such Person is a party, providing for the leasing to the Issuer or a Restricted Subsidiary of any property, whether owned by the Issuer or any Restricted Subsidiary at the Closing Date or later acquired, which has been or is to be sold or transferred by the Issuer or such Restricted Subsidiary to such Person or any other Person from whom funds have been or are to be advanced by such Person on the security of such property.

Secured Hedge Agreement means any Hedge Agreement required or permitted under Article V of the Credit Agreement as in effect on the date hereof that is entered into by and between any borrower under the Credit Agreement and any Hedge Bank.

Secured Indebtedness means any Indebtedness secured by a Lien.

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Senior Indebtedness means the principal of, premium, if any, and interest (including any interest accruing subsequent to the filing of a petition of bankruptcy at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable law) on any Indebtedness of the Issuer or a Note Guarantor, as the case may be, whether outstanding on the Closing Date or thereafter created, Incurred or assumed, unless, in the case of any particular Indebtedness, the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such Indebtedness shall not be senior in right of payment to the Senior Subordinated Notes or the Note Guarantee, as applicable. Without limiting the generality of the foregoing, Senior Indebtedness shall also include the principal of, premium, if any, interest (including any interest accruing subsequent to the filing of a petition of bankruptcy at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable law) on and all other amounts owing in respect of:

(1) all monetary obligations (including Guarantees thereof) of every nature of the Issuer or a Note Guarantor under the Credit Documents, including, without limitation, obligations (including Guarantees) to pay principal, premium (if any), any interest, reimbursement obligations under letters of credit, fees, expenses and indemnities;

(2) all monetary obligations (including Guarantees thereof) of every nature of the Issuer or a Note Guarantor under each of the 7<sup>1</sup>/<sub>4</sub>% Notes and the 16% Notes, including, without limitation, obligations (including Guarantees) to pay principal, premium (if any), any interest, fees, expenses and indemnities;

(3) all obligations under Interest Swap Obligations (including guarantees thereof);

(4) all obligations under Hedge Agreements (including guarantees thereof); and

(5) all obligations under Currency Agreements (including guarantees thereof) in each case whether outstanding on the Closing Date or thereafter Incurred. Notwithstanding the foregoing, Senior Indebtedness shall not include:

(1) any Indebtedness of the Issuer to a Subsidiary of the Issuer or any Indebtedness of a Note Guarantor to the Issuer or another Subsidiary of the Issuer;

(2) Indebtedness to, or guaranteed on behalf of, any director, officer or employee, in such capacities of the Issuer or any Subsidiary of the Issuer (including, without limitation, amounts owed for compensation);

(3) Indebtedness owing to trade creditors and other amounts Incurred (but not under the Credit Documents) in connection with obtaining goods, materials or services including, without limitation, accounts payable;

(4) obligations in respect of any Capital Stock, including Disqualified Capital Stock;

(5) any liability for federal, state, local or other taxes owed or owing by the Issuer or any Note Guarantor;

(6) that portion of any indebtedness Incurred in violation of the indenture;

(7) Indebtedness that, when Incurred and without respect to any election under Section 1111(b) of Title 11, United States Code, is without recourse to the issuer of such Indebtedness; and

(8) any Indebtedness (other than the 16% Notes, but including any Indebtedness that Refinances the 16% Notes) that is, by its express terms, subordinated in right of payment to any other Indebtedness of the Issuer or a Note Guarantor.

Senior Notes means those certain 7<sup>1</sup>/<sub>4</sub>% Senior Notes due 2023 of the Issuer issued pursuant to an indenture dated as of July 1, 1993 in the aggregate principal amount of \$50,000,000, and any such notes issued in exchange or

replacement therefor.

Senior Subordinated Indebtedness of the Issuer means the Senior Subordinated Notes and any other Indebtedness of the Issuer, other than the 16% Notes, that specifically provides that such Indebtedness is to

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rank equally with the Senior Subordinated Notes in right of payment. Senior Subordinated Indebtedness of a Note Guarantor has a correlative meaning.

Significant Subsidiary means any Restricted Subsidiary that would be a Significant Subsidiary of the Issuer within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC.

74% Notes means the 74% Senior Notes due 2013 of the Issuer.

16% Notes means the 16% Senior Subordinated Discount Notes due 2009 of the Issuer.

16% Notes Indenture means the indenture relating to the 16% Notes dated as of March 26, 2003, among the Issuer, the Guarantors party thereto, and The Bank of New York as Trustee.

Spectrum Assets means the E-Block spectrum licenses granted by the Federal Communications Commission or any spectrum license owned by CBW Co. for which the E-Block may be exchanged.

Stated Maturity when used with respect to any Senior Subordinated Note or any installment of interest thereon, means the date specified in the Indenture or such Senior Subordinated Note as the scheduled fixed date on which the principal of such Senior Subordinated Note or such installment of interest is due and payable and shall not include any contingent obligation to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for payment thereof.

Subordinated Indebtedness of the Issuer means any Indebtedness of the Issuer which is expressly subordinated to and junior to the payment and performance of the Senior Subordinated Notes. Subordinated Indebtedness of a Note Guarantor has a correlative meaning.

Subsidiary means with respect to any Person (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof) and (2) any partnership (A) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (B) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof). Any Person becoming a Subsidiary of the Issuer after the Closing Date shall be deemed to have Incurred all of its outstanding Indebtedness on the date it becomes a Subsidiary.

TIA means the Trust Indenture Act of 1939 (15 U.S.C. §§ 77aaa-77bbb) as amended from time to time.

Trustee means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

Trust Officer means, when used with respect to the Trustee, the president, any vice president (whether or not designated by a number or a word or words added before or after the title vice president), the secretary, any assistant secretary, the treasurer, any assistant treasurer, or any other officer of the Trustee in its Corporate Trust Administration Department customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

Unrestricted Subsidiary means:

- (1) any member of the BRCOM Group; *provided* that after the consummation of the sale of all or substantially all of the assets of BRCOM's Subsidiaries or the consummation of a confirmed plan of reorganization under Chapter 11 of the United States Bankruptcy Code with respect to BRCOM, the Issuer may designate BTI Inc. (f/k/a Broadwing Telecommunications Inc.) as a Restricted Subsidiary by written notice to the Trustee and the Holders;



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(2) any Subsidiary of the Issuer that at the time of determination shall be or continues to be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided below; and

(3) any Subsidiary of an Unrestricted Subsidiary.

Upon the consummation of the 2005 Refinancing, (i) the Company designated the members of the BRCOM Group as Restricted Subsidiaries and (ii) certain covenants and restrictions in the indenture governing the 2003 Notes with respect to the BRCOM Group ceased to apply.

The Board of Directors may designate any Subsidiary of the Issuer (including any newly acquired or newly formed Subsidiary of the Issuer) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock of, or owns or holds any Lien on any property of, the Issuer or any other Subsidiary of the Issuer that is not a Subsidiary of the Subsidiary to be so designated; *provided*:

(A) the Issuer certifies to the Holders that such designation complies with the covenant described under Certain Covenants Restricted Payments ; and

(B) each Subsidiary to be designated and each of its Subsidiaries (other than any member of the BRCOM Group, except as provided in clause (1) of this definition) has not at the time of designation, and does not thereafter, Incur any Indebtedness pursuant to which the Lender has recourse to any of the assets of the Issuer or any of its Restricted Subsidiaries (upon the consummation of the 2005 Refinancing, certain covenants and restrictions in the indenture governing the 2003 Notes with respect to the BRCOM Group ceased to apply).

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however*, that immediately after giving effect to such designation:

(x) the Issuer could Incur \$1.00 of additional Indebtedness under paragraph (a) of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock ; and

(y) immediately before and immediately after giving effect to such designation, no Default or Event of Default shall have occurred and be continuing.

Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Holders a copy of the Board Resolution giving effect to such designation and an Officers Certificate certifying that such designation complied with the foregoing provisions.

U.S. Government Obligations means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable or redeemable at the issuer's option.

Voting Stock of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Weighted Average Life to Maturity means, when applied to any Indebtedness at any date, the number of years obtained by dividing (i) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (ii) the then outstanding principal amount of such Indebtedness.

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**BOOK-ENTRY; DELIVERY AND FORM**

The New Senior Notes and the New Senior Subordinated Notes will each be represented by a note in registered, global form without interest coupons (collectively, the Global Notes ). The Global Notes will be deposited upon issuance with the Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of notes in certificated form. Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants, which may change from time to time.

**Certain Book-Entry Procedures for the Global Notes**

The description of the operations and procedures of DTC set forth below is provided solely as a matter of convenience. These operations and procedures are solely within the control of DTC and are subject to change by DTC from time to time. Neither the Company nor the initial purchasers takes any responsibility for these operations or procedures, and investors are urged to contact DTC or its participants directly to discuss these matters.

DTC has advised the Company that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a banking organization within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a clearing corporation within the meaning of the Uniform Commercial Code, as amended; and
- a clearing agency registered pursuant to Section 17A of the Exchange Act.

DTC was created to hold securities for its participants (collectively, the Participants ) and facilitates the clearance and settlement of securities transactions between Participants through electronic book-entry changes to the accounts of its Participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's Participants include securities brokers and dealers (including the initial purchasers), banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies (collectively, the Indirect Participants ) that clear through or maintain a custodial relationship with a Participant, either directly or indirectly. Investors who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants.

The Company expects that pursuant to procedures established by DTC (1) upon deposit of each Global Note, DTC will credit the accounts of the applicable Participants with an interest in the applicable Global Note and (2) ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the interests of Participants) and the records of Participants and the Indirect Participants (with respect to the interests of persons other than Participants).

The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a Global Note to such persons may be limited. In addition, because DTC can act only on behalf of its Participants, who in turn act on behalf of persons who hold interests through Participants, the ability of a person having an interest in notes represented by a Global Note to pledge or transfer such interest to persons or entities that do not participate in DTC's system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by the applicable Global Note for all purposes under the indentures governing the notes. Except as provided below, owners of beneficial



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interests in a Global Note will not be entitled to have notes represented by such Global Note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes, and will not be considered the owners or holders thereof under the indenture governing the notes represented by such Global Note for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee thereunder. Accordingly, each holder owning a beneficial interest in a Global Note must rely on the procedures of DTC and, if such holder is not a Participant or an Indirect Participant, on the procedures of the Participant through which such holder owns its interest, to exercise any rights of a holder of notes under the indenture governing the applicable series of notes or such Global Note. The Company understands that under existing industry practice, in the event that the Company requests any action from holders of notes, or a holder that is an owner of a beneficial interest in a Global Note desires to take any action that DTC, as the holder of such Global Note, is entitled to take, DTC would authorize the Participants to take such action and the Participants would authorize holders owning through such Participants to take such action or would otherwise act upon the instruction of such holders. Neither the Company nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such notes.

Payments with respect to the principal of, and premium, if any, additional interest, if any, and interest on, any notes represented by a Global Note registered in the name of DTC or its nominee on the applicable record date will be payable by the Trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the Global Note representing such notes under the indenture governing the applicable series of notes. Under the terms of the indentures governing the notes, the Company and the Trustee may treat the persons in whose names the notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving payment thereon and for any and all other purposes whatsoever. Accordingly, neither the Company nor the Trustee has or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in any of the Global Notes (including principal, premium, if any, additional interest, if any, and interest). Payments by the Participants and the Indirect Participants to the owners of beneficial interests in any of the Global Notes will be governed by standing instructions and customary industry practice and will be the responsibility of the Participants or the Indirect Participants and DTC.

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. If a holder requires physical delivery of a certificated note for any reason, including to sell notes to persons in states that require physical delivery of the notes, or to pledge such securities, such holder must transfer its interest in the applicable Global Note, in accordance with the normal procedures of DTC and with the procedures set forth in the indenture governing the applicable series of notes.

DTC has advised us that it will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more Participants to whose account the DTC interests in the applicable Global Note are credited and only in respect of such portion of the aggregate principal amount of the applicable series of notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under either indenture, DTC will exchange the Global Note representing the series of notes to which such Event of Default relates for certificated notes, which it will distribute to its Participants.

Although DTC has agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes among Participants in DTC, it is under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Company nor the Trustee will have any responsibility for the performance by DTC or its Participants or Indirect Participants of their respective obligations under the rules and procedures governing their operations.

### **Certificated Notes**

If:

the Company notifies the Trustee in writing that DTC is no longer willing or able to act as a depository or DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days of such notice or cessation;



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the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of notes in definitive form under the indentures governing the notes; or

upon the occurrence of certain other events as provided in the indentures governing the notes, then, upon surrender by DTC of the Global Notes, certificated notes will be issued to each person that DTC identifies as the beneficial owner of the notes represented by the Global Notes. Upon any such issuance, the Trustee is required to register such certificated notes in the name of such person or persons (or the nominee of any thereof) and cause the same to be delivered thereto.

Neither the Company nor the Trustee shall be liable for any delay by DTC or any Participant or Indirect Participant in identifying the beneficial owners of the related notes and each such person may conclusively rely on, and shall be protected in relying on, instructions from DTC for all purposes (including with respect to the registration and delivery, and the respective principal amounts, of the notes to be issued).

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**CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES**

**General**

This section summarizes the material U.S. Federal income tax consequences to holders associated with an exchange of Original Notes for New Notes. However, the discussion is limited in the following ways.

This discussion only covers you if you purchased Original Notes in the initial offering and you exchange such Original Notes for New Notes pursuant to the exchange offer.

This discussion only covers you if you have always held your Original Notes, and will only hold New Notes received pursuant to the exchange offer, as a capital asset (that is, for investment purposes), and if you do not have a special tax status.

The discussion does not cover tax consequences that depend upon your particular tax situation in addition to your ownership of Original Notes or New Notes. We suggest that you consult your tax advisor about the consequences of holding Original Notes or New Notes in your particular situation.

The discussion is based on current U.S. Federal tax law. Changes in the law may change the tax treatment of the Original Notes or New Notes.

The discussion does not cover state, local or foreign law.

The discussion does not apply to you if you are a Non-U.S. Holder, as defined below, of notes and you (a) own 10% or more of our voting stock, (b) are a controlled foreign corporation with respect to us, or (c) are a bank making a loan in the ordinary course of its business.

We have not requested a ruling from the Internal Revenue Service ( IRS ) on the tax consequences of the exchange offer or owning the New Notes. As a result, the IRS could disagree with any portion of this discussion.

**IF YOU ARE CONSIDERING EXCHANGING ORIGINAL NOTES FOR NEW NOTES PURSUANT TO THE EXCHANGE OFFER, WE SUGGEST THAT YOU CONSULT YOUR TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF SUCH AN EXCHANGE AND HOLDING THE NEW NOTES IN YOUR PARTICULAR SITUATION.**

For purposes of this summary, a U.S. Holder is:  
an individual U.S. citizen or resident alien;

a corporation or other entity taxable as a corporation for U.S. Federal income tax purposes that was created under U.S. law (Federal or state); or

an estate or trust whose worldwide income is subject to U.S. Federal income tax.

If a partnership holds Original Notes or New Notes, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner of a partnership holding Original Notes or New Notes, we suggest that you consult your tax advisor.

For purposes of this summary, a Non-U.S. Holder is:  
an individual that is a nonresident alien;

a corporation or other entity taxable as a corporation for U.S. Federal income tax purposes that was created under non-U.S. law (Federal or state); or

an estate or trust that is not taxable in the U.S. on its worldwide income.

**Exchange Offer**

The consummation of the exchange offer will not be a taxable event for U.S. Federal income tax purposes. Accordingly, holders will not recognize any income, gain or loss in connection with an exchange of Original Notes for New Notes pursuant to the exchange offer, and any such holder will have the same adjusted tax basis and holding period in the New Notes as it had in the Original Notes, as measured immediately before the exchange.



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**PLAN OF DISTRIBUTION**

Each broker-dealer that receives New Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Notes received in exchange for Original Notes where such Original Notes were acquired as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date and for a period of not less than 90 days after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until \_\_\_\_\_, 2005 all dealers effecting transactions in the New Notes may be required to deliver a prospectus.

We will not receive any proceeds from any sale of New Notes by broker-dealers. New Notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the New Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such New Notes. Any broker-dealer that resells New Notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such New Notes may be deemed to be an underwriter within the meaning of the Securities Act and any profit on any such resale of New Notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act.

For a period of 90 days after the expiration date, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer (including the expenses of one counsel for holders of the Original Notes) other than commissions or concessions of any brokers or dealers and to indemnify the holders of the Original Notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

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**LEGAL MATTERS**

Certain legal matters with respect to the New Notes will be passed upon by Cravath, Swaine & Moore LLP, New York, New York, The Law Offices of Thomas W. Bosse, PLLC, Cincinnati, Ohio and The Magee Law Firm, PLLC, McLean, Virginia.

**EXPERTS**

The consolidated financial statements and schedule incorporated by reference in this prospectus have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, to the extent and for the periods set forth in their reports incorporated herein by reference, and are incorporated herein in reliance upon such reports given upon the authority of said firm as experts in auditing and accounting.

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**CINCINNATI BELL INC.  
OFFER TO EXCHANGE**

**7% Senior Notes Due 2015  
For a Like Principal Amount of New  
7% Senior Notes Due 2015**

**8<sup>3</sup>/<sub>8</sub>% Senior Subordinated Notes Due 2014  
For a Like Principal Amount of New  
8<sup>3</sup>/<sub>8</sub>% Senior Subordinated Notes Due 2014**

**PROSPECTUS**

, 2005

**Dealer Prospectus Delivery Obligation**

Until , 2005, all broker-dealers that effect transactions in the New Notes, whether or not participating in the Exchange Offer, may be required to deliver a prospectus. This is in addition to the obligation of broker-dealers to deliver a prospectus when acting as underwriters and with respect to any unsold allotments or subscriptions.

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**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 20. *Indemnification of Directors and Officers.***

***Registrants Incorporated or Organized in Ohio***

Cincinnati Bell Inc., Cincinnati Bell Public Communications Inc., Cincinnati Bell Wireless Company, Cincinnati Bell Entertainment Inc. (f/k/a ZoomTown.com Inc.), Cincinnati Bell Complete Protection Inc., and Cincinnati Bell Technology Solutions Inc. are incorporated in the State of Ohio and Cincinnati Bell Telecommunication Services LLC is organized under the laws of the State of Ohio.

Section 1701.13(E) of the Ohio General Corporation Law (the "OGCL") contains provisions for indemnification of a corporation's directors, officers and other personnel, and related matters. Section 1701.13(E)(1) of the OGCL permits a corporation to indemnify any person who was or is a party or is threatened to be made a party to any proceeding, other than an action by or in the right of the corporation, because the person is or was a director or officer, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement reasonably incurred by the director or officer in connection with the proceeding if (1) the director or officer acted in good faith and in a manner the director or officer reasonably believed to be in or not opposed to the best interests of the corporation, and (2) with respect to any criminal action or proceeding, the director or officer had no reasonable cause to believe the director's or officer's conduct was unlawful.

Section 1701.13(E)(2) of the OGCL permits a corporation to indemnify any person who was or is a party or is threatened to be made a party to any proceeding, by or in the right of the corporation to procure a judgment in its favor, because the person is or was a director or officer against expenses, including attorney's fees, reasonably incurred by the director or officer in connection with the proceeding if the director or officer acted in good faith and in a manner the director or officer reasonably believed to be in or not opposed to the best interests of the corporation, except that a corporation may not indemnify a director or officer if either (1) the director or officer has been adjudged to be liable for negligence or misconduct in the performance of the director's or officer's duty to the corporation unless and only to the extent that the court in which the proceeding was brought determines that, in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for such expenses as the court deems proper or (2) the only liability asserted against a director in a proceeding is for the director voting for or assenting to the following: (a) the payment of a dividend or distribution, the making of a distribution of assets to shareholders, or the purchase or redemption of the corporation's own shares in violation of law or the corporation's articles of incorporation; (b) a distribution of assets to shareholders during the winding up of the affairs of the corporation, on dissolution or otherwise, without the payment of all known obligations of the corporation or without making adequate provision for their payment; or (c) the making of a loan, other than in the usual course of business, to an officer, director or shareholder of the corporation, unless at the time the loan was made, a majority of the disinterested directors of the corporation voted for the loan and taking into account the terms and provisions of the loan and other relevant factors, determined that the making of the loan could reasonably be expected to benefit the corporation.

Section 1701.13(E)(3) of the OGCL provides that to the extent that a director or officer has been successful on the merits or otherwise in defense of a proceeding referred to in division (E)(1) or (2) of Section 1701.13, the director or officer must be indemnified against expenses actually and reasonably incurred by him or her in connection with such a proceeding.

Section 1701.13(E)(4) of the OGCL provides that any indemnification under division (E)(1) or (2) of Section 1701.13, unless ordered by a court, shall be made by the corporation only as authorized in the specific case, upon a determination that the director or officer has met the applicable standard of conduct. Section 1701.13(E)(4) further provides that the determination shall be made by: (1) a majority of a quorum of the directors who are not parties to such proceeding; (2) if there is no such quorum of directors, or if a

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majority vote of disinterested directors so directs, in a written opinion by independent legal counsel; (3) by the shareholders; or (4) by the court of common pleas or by the court in which the proceeding was brought.

Section 1701.13(E)(5)(a) of the OGCL provides that unless (1) the articles or regulations of a corporation specifically state otherwise or (2) the only liability asserted against a director in a proceeding is for the director voting for or assenting to any of the following: (a) the payment of a dividend or distribution, the making of a distribution of assets to shareholders, or the purchase or redemption of the corporation's own shares in violation of law or the corporation's articles of incorporation; (b) a distribution of assets to shareholders during the winding up of the affairs of the corporation, on dissolution or otherwise, without the payment of all known obligations of the corporation or without making adequate provision for their payment; or (c) the making of a loan, other than in the usual course of business, to an officer, director or shareholder of the corporation, other than in the case of at the time the loan was made, a majority of the disinterested directors of the corporation voted for the loan and taking into account the terms and provisions of the loan and other relevant factors, determined that the making of the loan could reasonably be expected to benefit the corporation, the corporation must pay expenses as they are incurred by the director or officer in defending the proceeding if the director or officer undertakes to (i) repay the amount so paid if it is proven by clear and convincing evidence that the director's or officer's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the corporation or undertaken with reckless disregard for the best interests of the corporation and (ii) reasonably cooperate with the corporation concerning the proceeding.

Section 1701.13(E)(5)(b) of the OGCL provides that a corporation may advance expenses to a director or officer before the final disposition of a proceeding if the director or officer undertakes to repay the amount so advanced if it is ultimately determined that the director or officer is not entitled to indemnification.

Section 1701.13(E)(7) of the OGCL permits corporations to purchase and maintain insurance on behalf of any director or officer against any liability asserted against him and incurred by him in his capacity as a director or officer, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 1701.13 of the OGCL.

Section 1705.32 of the Ohio Limited Liability Company Act (the OLLCA) contains provisions for indemnification of a limited liability company's managers, members, officers and other personnel, and related matters.

Section 1705.32(A) of the OLLCA provides that a limited liability company may indemnify any person who was or is a party, or who is threatened to be made a party, to any proceeding, other than an action by or in the right of the company, because he is or was a manager or member of the company. Section 1705.32(A) further provides that a company may indemnify a manager or member against expenses, including attorney's fees, judgments, fines, and amounts paid in settlement that reasonably were incurred by him in connection with the proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the company and, in connection with any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 1705.32(B) of the OLLCA provides that a limited liability company may indemnify any person who was or is a party or who is threatened to be made a party to any action or suit by or in the right of the company to procure a judgment in its favor, because he is or was a manager or officer of the company. Section 1705.32(B) further provides that the company may indemnify a manager or officer against expenses, including attorney's fees, that were reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the company, except that an indemnification shall not be made in respect of any claim as to which the person is adjudged to be liable for negligence or misconduct in the performance of his duty to the company unless and only to the extent that the court of common pleas or the court in which the action was brought determines that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses that the court considers proper.

Section 1705.32(C) of the OLLCA provides that to the extent that a manager or officer of a limited liability company has been successful on the merits or otherwise in defense of any action referred to in division

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(A) or (B) of Section 1705.32, he shall be indemnified against expenses, including attorney's fees, that were reasonably incurred by him in connection with the action.

Section 1705.32(D)(1) of the OLLCA provides that unless ordered by a court and subject to division (C) of Section 1705.32, any indemnification under division (A) or (B) of Section 1705.32 shall be made by the limited liability company only as authorized in the specific case, upon a determination that indemnification of the manager or officer is proper under the circumstances because he has met the applicable standard of conduct.

Section 1705.32(D)(1) further provides that the determination shall be made: (a) by a majority vote of a quorum consisting of managers who were not parties to the action; (b) whether or not such a quorum is obtainable and if a majority vote of a quorum of disinterested managers so directs, in a written opinion by independent legal counsel; (c) by the members; (d) by the court of common pleas or the court in which the action was brought.

Section 1705.32(F) of the OLLCA provides that a limited liability company may purchase and maintain insurance for or on behalf of any person who is or was a manager or member of the company. Section 1705.32(F) further provides that the insurance or similar protection purchased or maintained for those persons may be for any liability asserted against them and incurred by them in their capacity as a manager or member or for any liability arising out of their status as a manager or member, whether or not the company would have the power to indemnify them against that liability under Section 1705.32.

Section 1705.32(G) of the OLLCA provides that a limited liability company may pay expenses of persons entitled to indemnification under Section 1705.32 as they are incurred, in advance of the final disposition of an action or the payment of indemnification or insurance pursuant to Section 1705.32.

The Regulations of Cincinnati Bell Inc., Cincinnati Bell Entertainment Inc. (f/k/a ZoomTown.com Inc.), Cincinnati Bell Wireless Company, Cincinnati Bell Public Communications Inc., Cincinnati Bell Complete Protection Inc. and Cincinnati Bell Technology Solutions Inc. provide that such entities shall indemnify their respective directors and officers to the fullest extent permitted by the OGCL.

The Limited Liability Company Operating Agreement of Cincinnati Bell Telecommunication Services LLC provides that it shall indemnify its member or officers for any act performed by such person within the scope of authority conferred upon them by the Limited Liability Company Operating Agreement, unless the act is proven to have been undertaken with deliberate intent to cause injury to the company.

***Registrants Incorporated or Organized in Delaware***

BCSI Inc., BRCOM Inc., BRHI Inc., Cincinnati Bell Any Distance Inc. and IXC Internet Services, Inc. are incorporated in the State of Delaware and BRFS LLC, BRWL, LLC, BRWSVCS LLC, Cincinnati Bell Wireless Holdings LLC and IXC Business Services, LLC are organized under the laws of the State of Delaware.

Section 102(b)(7) and Section 145 of the DGCL contain provisions for indemnification of a corporation's directors, officers and other personnel, and related matters. Section 102(b)(7) of the DGCL permits a corporation to eliminate the personal liability of a director, except (1) for any breach of the director's duty of loyalty to the corporation or their stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law, (3) under Section 174 of the DGCL or (4) for any transaction from which the director derives an improper personal benefit.

Subsection (a) of Section 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably

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believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Subsection (b) of Section 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine that despite the adjudication of liability such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 145 of the DGCL further provides that: (1) to the extent a director, officer, employee or agent of a corporation has been successful in the defense of any action, suit or proceeding referred to in subsections (a) and (b) or in the defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith; (2) indemnification or advancement of expenses provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; and (3) the corporation shall have the power to purchase and maintain insurance on behalf of a director, officer, employee or agent of the corporation against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such whether or not the corporation would have the power to indemnify him or her against such liabilities under Section 145.

Section 18-108 of the Delaware Limited Liability Company Act (the "DLLCA") contains provisions for indemnification of a limited liability company's managers, members, officers and other personnel, and related matters. Section 18-108 of the DLLCA provides that subject to such standards and restrictions, if any, as are set forth in a company's limited liability company agreement, a limited liability company may, and shall have the power to, indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever.

The Restated Certificate of Incorporation of BCSI Inc. and the Certificate of Incorporation of BRHI Inc., BRCOM Inc., Cincinnati Bell Any Distance Inc., and IXC Internet Services, Inc. provide that the personal liability of their respective directors shall be eliminated to the fullest extent permitted by DGCL.

The by-laws of BRCOM Inc., BRHI Inc., BCSI Inc. and IXC Internet Services, Inc. provide that such entities shall indemnify their respective directors and officers to the fullest extent permitted by the DGCL. The by-laws of BRCOM Inc. and BRHI Inc. further provide that: (1) such entities shall not be required to indemnify a director or officer in connection with a proceeding initiated by such director or officer without the authorization of their respective Board of Directors; (2) such entities shall pay the expenses incurred by their respective directors or officers entitled to indemnification in defending any proceeding in advance of its final disposition if the corporation receives an undertaking by such director or officer to repay all amounts so advanced if it is ultimately determined that the director or officer is not entitled to indemnification; and (3) such entities may maintain insurance on behalf of their respective officers or directors whether or not such entities would have the power to indemnify such officers or directors under the DGCL.

The Limited Liability Company Operating Agreement of BRFS LLC, BRWL, LLC and BRWSVCS LLC provide that such entities (1) shall indemnify their respective member to the fullest extent permitted under the DLLCA, and (2) may, subject to the DLLCA, indemnify their respective employees and other agents to the extent, if any, determined by their member.

The Company Agreement of Cincinnati Bell Wireless Holding LLC provides that, other than as specified below, the company shall, to the fullest extent permitted by law, indemnify the company liquidator, his or her agents, and certain secured parties under a credit agreement for any and all liabilities incurred as a result of





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the disposition of company property or the liquidation of the company. The Company Agreement further provides that no person shall be indemnified from any liability resulting from (1) their own gross negligence or willful misconduct or (2) certain special, indirect, consequential or punitive damages.

The Limited Liability Company Operating Agreement of IXC Business Services, LLC provides that the company shall indemnify its members, managers and officers from all liabilities arising from any and all proceedings in which such person was involved as a result of the business of the company, to the fullest extent permitted by the DLLCA. The Limited Liability Company Operating Agreement further provides that the company may (1) pay any expenses incurred in connection with such liabilities in advance of the final disposition thereof upon receipt by the company of an undertaking by such person to repay the amounts so advanced if it is ultimately determined that such person is not entitled to indemnification, and (2) purchase insurance on behalf of the members and managers against all liabilities that they may incur regardless of whether the company would be entitled to indemnify such person under the Limited Liability Company Operating Agreement.

***Registrants Incorporated in Virginia***

BCSIVA Inc. is incorporated in the State of Virginia. Section 13.1-692.1 and Article 10 of the Virginia Stock Corporation Act (the VSCA ) contain provisions for indemnification of a corporation s directors, officers and other personnel, and related matters.

Section 13.1-692.1 of the VSCA provides that unless an officer or director engaged in willful misconduct or a knowing violation of the criminal law or of any federal or state securities law, in any proceeding brought by or in the right of a corporation or brought by or on behalf of shareholders of the corporation, the damages assessed against an officer or director arising out of a single transaction, occurrence or course of conduct shall not exceed the lesser of: (1) the monetary amount, including the elimination of liability, specified in the articles of incorporation of the corporation or, if approved by the shareholders, in the by-laws of the corporation as a limitation on or elimination of the liability of the officer or director; or (2) the greater of (i) \$100,000, or (ii) the amount of cash compensation received by the officer or director from the corporation during the twelve months immediately preceding the act or omission for which liability was imposed.

Section 13.1-697 of the VSCA provides that, except as provided below, a corporation may indemnify an individual made a party to a proceeding because he is or was a director against liability and reasonable expenses incurred in the proceeding if: (1) he conducted himself in good faith; (2) he believed (i) in the case of conduct in his official capacity with the corporation, that his conduct was in the best interests of the corporation; and (b) in all other cases, that his conduct was at least not opposed to the best interests of the corporation; and (3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful. Section 13.1-697 further provides that a corporation may not indemnify a director (1) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation, or (2) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

Section 13.1-698 of the VSCA provides that, unless limited by its articles of incorporation, a corporation shall indemnify a director who entirely prevails in the defense of any proceeding to which he was a party because he is or was a director of the corporation against reasonable expenses incurred by him in connection with the proceeding.

Section 13.1-699 of the VSCA permits corporations to pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if: (1) the director furnishes the corporation a written statement of his good faith belief that he has met the standard of conduct described in Section 13.1-697; (2) the director furnishes the corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct; and (3) a determination is made pursuant to Section 13.1-701 of the VSCA that the facts then known to those making the determination would not preclude indemnification under Article 10 of the VSCA.

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Section 13.1-700.1 of the VSCA provides that with respect to a proceeding by or in the right of the corporation, the court may order indemnification of the director to the extent of his reasonable expenses if it determines that, considering all the relevant circumstances, the director is entitled to indemnification even though he may have been adjudged liable to the corporation.

Section 13.1-701 of the VSCA provides that a corporation may not indemnify a director unless a determination has been made that indemnification of the director is permissible in the circumstances because he has met the standard of conduct set forth in Section 13.1-697. Section 13.1-701 further provides that the determination may be made by (1) the board of directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; (2) if such a quorum cannot be obtained, by majority vote of a committee duly designated by the board of directors, consisting solely of two or more directors not at the time parties to the proceeding; (3) special legal counsel; or (4) the shareholders.

Section 13.1-702 of the VSCA provides that unless limited by a corporation's articles of incorporation, an officer of a corporation is entitled to mandatory indemnification under Section 13.1-698, and is entitled to apply for court-ordered indemnification under Section 13.1-700.1, in each case to the same extent as a director. Section 13.1-702 further provides that the corporation may indemnify and advance expenses to an officer of the corporation to the same extent as to a director.

Section 13.1-703 of the VSCA permits corporations to purchase and maintain insurance on behalf of directors and officers of the corporation against liability asserted against or incurred by him in that capacity or arising from his status as a director or officer, whether or not the corporation would have power to indemnify him against the same liability under Sections 13.1-697 or 13.1-698.

Section 13.1-704 of the VSCA provides that any corporation shall have the power to make any further indemnity, including indemnity with respect to a proceeding by or in the right of the corporation, and to make additional provision for advances and reimbursement of expenses, to any director or officer that may be authorized by the articles of incorporation or any by-law made by the shareholders or any resolution adopted by the shareholders, except an indemnity against (1) willful misconduct, or (2) a knowing violation of criminal law.

The by-laws and Articles of Incorporation of BCSIVA Inc. contain provisions for indemnification of BCSIVA Inc.'s directors and officers, and related matters. The by-laws of BCSIVA Inc. provide that it shall indemnify its directors and officers to the fullest extent permitted by the VSCA.

Article 6, Section 2 of BCSIVA Inc.'s Articles of Incorporation provides that in any proceeding brought by or in the right of the corporation or brought by or on behalf of shareholders of the corporation, no director or officer shall be liable for monetary damages with respect to any transaction, occurrence or course of conduct except for liability resulting from willful misconduct or a knowing violation of the criminal law or any federal or state securities law.

Article 6, Section 3 of BCSIVA Inc.'s Articles of Incorporation provides that the corporation shall indemnify any person who was or is a party to any proceeding, including a proceeding brought by a shareholder in the right of the corporation or brought by or on behalf of shareholders of the corporation, because the person is or was a director or officer of the corporation, against any liability incurred by that person in connection with the proceeding unless that person engaged in willful misconduct or a knowing violation of the criminal law.

Article 6, Section 6 of BCSIVA Inc.'s Articles of Incorporation provides that any indemnification under Section 3 of Article 6 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination by (1) the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; (2) if a quorum cannot be obtained, by majority vote of a committee duly designated by the Board of Directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding; (3) special legal counsel; or (4) if a quorum of the Board of Directors cannot be obtained under clause (1) and a committee cannot be designated under clause (2), selected by majority vote of the full Board of Directors, in which selection directors who are parties may participate; or (5) the shareholders, that indemnification is

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proper in the circumstances because the officer or director has met the standard of conduct set forth in Section 3.

Article 6, Section 7 of BCSIVA Inc. s Articles of Incorporation permits the corporation to pay the reasonable expenses incurred by a director or officer in advance of final disposition of the proceeding pursuant to the procedures set forth in Section 13.1-699 of the VSCA.

Article 6, Section 9 permits the corporation to purchase and maintain insurance to indemnify it against any portion of the liability assumed by it in accordance with Article 6 and permits it to procure insurance on behalf of any person who is or was a director or officer of the corporation, against any liability asserted against or incurred in any such capacity or arising from the person s status as a director or officer, whether or not the corporation would have the power to indemnify that person against such liability under the provisions of Article 6.

*The foregoing statements are subject to the detailed provisions of the OGCL, the DGCL, the OLLCA, the DLLCA and the VSCA and to the applicable provisions of each of the Registrant s Articles or Certificate of Incorporation, Operating Agreements, Regulations and By-laws, as applicable.*

**Item 21. Exhibits and Financial Statement Schedules.**

<b>Exhibit Number</b>	<b>Description of Documents</b>
3.1(a)	Amended Articles of Incorporation of Cincinnati Bell Inc. (incorporated by reference to Exhibit 3.1(a) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-104557) filed July 17, 2003).
3.1(b)	Amended Regulations of Cincinnati Bell Inc. (incorporated by reference to Exhibit 3.2 of Cincinnati Bell Inc. s Registration Statement on Form S-8 (File No. 333-28381) filed June 3, 1997).
4.1(a)	Rights Agreement dated as of April 29, 1997, between Broadwing and The Fifth Third Bank which includes the form of Certificate of Amendment to the Amended Articles of Incorporation of the Company as Exhibit A, the form of Rights Certificate as Exhibit B and the Summary of Rights to Purchase Preferred Stock as Exhibit C (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A (File No. 001-08519) filed May 1, 1997).
4.1(b)	Amendment No. 1 to the Rights Agreement dated as of July 20, 1999, between Cincinnati Bell Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A/A (File No. 001-08519) filed August 6, 1999).
4.1(c)	Amendment No. 2 to the Rights Agreement dated as of November 2, 1999, between Cincinnati Bell Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A/A (File No. 001-08519) filed November 8, 1999).
4.1(d)	Amendment No. 3 to the Rights Agreement dated as of June 10, 2002, between Broadwing Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Registration Statement on Form 8-A/A (File No. 001-08519) filed July 2, 2002).
4.2	Indenture dated as of July 1, 1993, between Cincinnati Bell Inc. and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc. s Current Report

on Form 8-K filed July 12, 1993).

- 4.3(a) Indenture dated as of October 27, 1993, among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc.'s Current Report on Form 8-K filed October 27, 1993).
- 4.3(b) First Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of October 27, 1993 by and among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(ii)(2) of Cincinnati Bell Inc.'s Annual Report on Form 10-K for the year ended December 31, 2004).

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<b>Exhibit Number</b>	<b>Description of Documents</b>
4.3(c)	Second Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of October 27, 1993 by and among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(ii)(3) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
4.4(a)	Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc. s Current Report on Form 8-K filed December 8, 1998).
4.4(b)	First Supplemental Indenture dated as of December 31, 2004 to the Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(iii)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
4.4(c)	Second Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(iii)(3) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
4.5(a)	Indenture dated as of March 26, 2003, by and among Broadwing Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(vi) of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Annual Report on Form 10-K for the year ended December 31, 2002).
4.5(b)	First Supplemental Indenture dated as of October 30, 2003 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(vi)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the nine months ended September 30, 2003).
4.5(c)	Second Supplemental Indenture dated as of March 12, 2004 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(vi)(3) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2004).
4.5(d)	Third Supplemental Indenture dated as of August 4, 2004 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(vi)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2004).
4.5(e)	

Fourth Supplemental Indenture dated as of January 31, 2005 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc.'s Current Report on Form 8-K filed February 2, 2005).

- 4.6 Warrant Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(vii) of Cincinnati Bell Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.7 Exchange and Registration Rights Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(viii) of Cincinnati Bell Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.8 Equity Registration Rights Agreement, dated as of March 26, 2003 by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(ix) of Cincinnati Bell Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.9(a) Purchase Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x) of Cincinnati Bell Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002).

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<b>Exhibit Number</b>	<b>Description of Documents</b>
4.10(b)	First Amendment to the Purchase Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).
4.9(c)	Second Amendment to the Purchase Agreement, dated as of April 30, 2004, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x)(3) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2004).
4.9(d)	Third Amendment to the Purchase Agreement, dated as of April 30, 2004, by and among Cincinnati Bell Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit 4(c)(viii)(4) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
4.9(e)	Fourth Amendment to the Purchase Agreement, dated as of January 31, 2005, by and among Cincinnati Bell Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit 4(c)(viii)(5) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
4.10(a)	Indenture dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(xi) of Cincinnati Bell Inc. s Registration Statement on Form S-4/A (File No. 333-104557) filed July 17, 2003).
4.10(b)	First Supplemental Indenture dated as of January 28, 2005 to the Indenture dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 2, 2005).
4.11	Exchange and Registration Rights Agreement, dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, Credit Suisse First Boston LLC and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(xii) of Cincinnati Bell Inc. s Registration Statement on Form S-4/A (File No. 333-104557) filed July 17, 2003).
4.12	Indenture dated as of November 19, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(xiii) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-110940) filed December 5, 2003).
4.13	Exchange and Registration Rights Agreement, dated as of November 19, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4(c)(xiv) of

Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-110940) filed December 5, 2003).

- 4.14 8<sup>3</sup>/<sub>8</sub>% Notes Exchange and Registration Rights Agreement, dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4.3 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
- 4.15 Indenture dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
- 4.16 7% Notes Exchange and Registration Rights Agreement, dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4.2 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
- 5.1 Opinion of Cravath, Swaine & Moore LLP (filed herewith).
- 5.2 Opinion of The Law Offices of Thomas W. Bosse, PLLC (filed herewith).
- 5.3 Opinion of The Magee Law Firm, PLLC (filed herewith).



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<b>Exhibit Number</b>	<b>Description of Documents</b>
10.1	Credit Agreement dated as of February 16, 2005 by and among Cincinnati Bell Inc., the Guarantors party thereto, Bank of America, N.A. as Administrative Agent, PNC Bank, National Association, as Swingline Lender, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
10.2	Asset Purchase Agreement by and among Broadwing Inc., Cincinnati Bell Directory Inc. and CBD Media, Inc. dated as of February 4, 2002 (incorporated by reference to Exhibit 10(i)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2001).
10.3(a)	Asset Purchase Agreement by and among Broadwing Communications Services Inc. and the other sellers party thereto and CIII Communications dated as of February 22, 2003 (incorporated by reference to Exhibit (99)(i) of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 28, 2003).
10.3(b)	Amendment No. 1 to the Asset Purchase Agreement dated as of June 6, 2003 (incorporated by reference to Exhibit (99)(i) of Cincinnati Bell Inc. s Current Report on Form 8-K filed June 13, 2003).
10.3(c)	Letter Agreement Amendment to the Asset Purchase Agreement (incorporated by reference to Exhibit (10)(i)(A)(3)(iii) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-104557) filed June 23, 2003).
10.4(a)	Operating Agreement, dated as of December 31, 1998 between AT&T Wireless PCS Inc. and Cincinnati Bell Wireless Company LLC (incorporated by reference to Exhibit (10)(i)(4) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.4(b)	Agreement and Amendment No. 1 to Operating Agreement, dated as of October 16, 2003, between AT&T Wireless PCS LLC and Cincinnati Bell Wireless Holdings LLC (incorporated by reference to Exhibit (10)(i)(4.1) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.4(c)	Agreement and Amendment No. 2 to the Operating Agreement, dated as of August 4, 2004 by and among Cingular Wireless PCS, Cingular Wireless Services, Inc., Cincinnati Bell Wireless Holdings LLC, Cincinnati Bell Inc., Cingular Wireless LLC, and Cincinnati Bell Wireless LLC (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed August 5, 2004).
10.4(d)	Agreement and Amendment No. 3 to Operating Agreement, dated as of February 14, 2005 by and among New Cingular Wireless PCS, New Cingular Wireless Services, Inc., Cincinnati Bell Wireless Holdings LLC, Cincinnati Bell Inc., Cingular Wireless LLC, and Cincinnati Bell Wireless LLC (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 15, 2005).

- 10.5 Short Term Incentive Plan of Broadwing Inc., as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).
- 10.6 Broadwing Inc. Deferred Compensation Plan for Outside Directors, as amended and restated effective July 24, 2002 (incorporated by reference to Exhibit (10)(iii)(A)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).
- 10.7 Broadwing Inc. Pension Program, as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).
- 10.8 Cincinnati Bell Inc. Pension Program, as amended and restated effective March 3, 1997 (incorporated by reference to Exhibit (10)(iii)(A)(3)(ii) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1997).
- 10.9 Broadwing Inc. Executive Deferred Compensation Plan, as amended and restated effective January 1, 2002 (incorporated by reference to Exhibit (10)(iii)(A)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).
- 10.10 Broadwing Inc. 1997 Long Term Incentive Plan, as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(1) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).
- 10.11 Broadwing Inc. 1997 Stock Option Plan for Non-Employee Directors, as revised and restated effective January 1, 2001 (incorporated by reference to Exhibit (10)(iii)(A)(6) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).

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<b>Exhibit Number</b>	<b>Description of Documents</b>
10.12	Cincinnati Bell Inc. 1989 Stock Option Plan (incorporated by reference to Exhibit (10)(iii)(A)(14) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1989).
10.13(a)	Employment Agreement effective December 4, 2001 between Broadwing Inc. and Michael W. Callaghan (incorporated by reference to Exhibit (10)(iii)(A)(10) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2001).
10.13(b)	Amendment to Employment Agreement effective February 3, 2003 between Broadwing Inc. and Michael W. Callaghan. (incorporated by reference to Exhibit 99(i) of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Current Report on Form 8-K filed on February 6, 2003).
10.13(c)	Amendment No. 2 to Employment Agreement effective October 22, 2003 between Cincinnati Bell Inc. and Michael W. Callaghan. (incorporated by reference to Exhibit (10)(iii)(A)(9.2) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-111059) filed December 10, 2003).
10.14(a)	Employment Agreement effective January 1, 1999, between Cincinnati Bell Inc. and John F. Cassidy (incorporated by reference to Exhibit (10)(iii)(A)(8) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1999).
10.14(b)	Amendment to Employment Agreement effective September 20, 2002, between Broadwing Inc. and John F. Cassidy (incorporated by reference to Exhibit (10)(iii)(A)(11)(1) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the nine months ended September 30, 2002).
10.15	Employment Agreement effective January 8, 2004 between Cincinnati Bell Inc. and Christopher J. Wilson (incorporated by reference to Exhibit (10)(iii)(A)(13) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.16	Employment Agreement effective June 26, 2000 between Cincinnati Bell Inc. and Brian G. Keating (incorporated by reference to Exhibit (10)(iii)(A)(14) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.17	Employment Agreement effective July 11, 2005 between Cincinnati Bell Inc. and Rodney D. Dir (incorporated by reference to Exhibit 10 of Cincinnati Bell Inc. s Current Report on Form 8-K filed June 30, 2005).
10.18	Code of Ethics for Senior Financial Officers (incorporated by reference to Exhibit (10)(iii)(A)(15) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.19	Summary of Director Compensation for 2005 (incorporated by reference to Item 1.01 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 3, 2005).

- 10.20 Summary of Executive Compensation (to the extent determined) for 2005 (incorporated by reference to Item 1.01 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 3, 2005).
- 12.1 Statement regarding computations of ratio of earnings to fixed charges (filed herewith).
- 16.1 Letter regarding change in certifying accountant (incorporated by reference to Exhibit 16.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed March 24, 2005).
- 21.1 List of Subsidiaries of the Registrant (incorporated by reference to Exhibit 21 of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
- 23.1 Consent of Cravath, Swaine & Moore LLP (included in Exhibit 5.1).
- 23.2 Consent of The Law Offices of Thomas W. Bosse, PLLC (included in Exhibit 5.2).
- 23.3 Consent of The Magee Law Firm, PLLC (included in Exhibit 5.3).
- 23.4 Consent of PricewaterhouseCoopers LLP (filed herewith).
- 24.1 Powers of Attorney (included in the signature pages of this registration statement).
- 25.1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of The Bank of New York, as Trustee, on Form T-1, relating to the 7% Senior Notes due 2015 (filed herewith).
- 25.2 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of The Bank of New York, as Trustee, on Form T-1, relating to the 8<sup>3</sup>/<sub>8</sub>% Senior Subordinated Notes due 2014 (filed herewith).
- 99.1 Form of Letter of Transmittal (filed herewith).
- 99.2 Form of Notice of Guaranteed Delivery (filed herewith).
- 99.3 Form of Notice of Withdrawal of Tender (filed herewith).

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<b>Exhibit Number</b>	<b>Description of Documents</b>
99.4	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (filed herewith).
99.5	Form of Letter to Clients (filed herewith).
99.6	Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (filed herewith).

**Item 22. Undertakings**

The undersigned registrants undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(c) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned registrants hereby undertake to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11 or 13 of Form S-4, within one business day of the receipt of such request, and to send the incorporated documents by first-class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

The undersigned registrants hereby undertake to supply by means of post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

The undersigned registrants hereby undertake that insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions described in Item 20 above, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a registrant of expenses incurred or paid by a director, officer or controlling person of such registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President, Chief Executive Officer and Director

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President, Chief Executive Officer and Director (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Phillip R. Cox Phillip R. Cox	Director	July 8, 2005
/s/ Bruce L. Byrnes Bruce L. Byrnes	Director	July 8, 2005

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<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ Karen M. Hoguet Karen M. Hoguet	Director	July 8, 2005
/s/ Robert W. Mahoney Robert W. Mahoney	Director	July 8, 2005
/s/ Daniel J. Meyer Daniel J. Meyer	Director	July 8, 2005
/s/ Michael G. Morris Michael G. Morris	Director	July 8, 2005
/s/ Carl Redfield Carl Redfield	Director	July 8, 2005
/s/ David B. Sharrock David B. Sharrock	Director	July 8, 2005
/s/ John M. Zrno John M. Zrno	Director	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL TELECOMMUNICATION SERVICES LLC  
By: /s/ John F. Cassidy

Name: John F. Cassidy  
Title: President, Chief Executive Officer and Manager

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL TELECOMMUNICATION SERVICES LLC

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President, Chief Executive Officer and Manager (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Manager (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Mark W. Peterson Mark W. Peterson	Manager	July 8, 2005



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Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL WIRELESS COMPANY

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President, Chief Executive Officer and Director

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL WIRELESS COMPANY

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President, Chief Executive Officer and Director (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Director (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Mark W. Peterson Mark W. Peterson	Director	July 8, 2005

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Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL WIRELESS HOLDINGS LLC

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL WIRELESS HOLDINGS LLC

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Manager (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Kevin Sullivan Kevin Sullivan	Manager	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL PUBLIC  
COMMUNICATIONS INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL PUBLIC COMMUNICATIONS INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Director (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL COMPLETE  
PROTECTION INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL COMPLETE PROTECTION INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Director (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL TECHNOLOGY  
SOLUTIONS INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL TECHNOLOGY SOLUTIONS INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL ENTERTAINMENT INC.  
(F/ K/ A ZOOMTOWN.COM INC.)

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL ENTERTAINMENT INC.  
(F/ K/ A ZOOMTOWN.COM INC.)

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Director (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BRFS LLC

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BRFS LLC

Signature	Title	Date
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Mark W. Peterson Mark W. Peterson	Manager	July 8, 2005

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**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BRHI INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President, Chief Executive Officer and Director

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BRHI INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President, Chief Executive Officer and Director (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005



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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BRWL, LLC  
By: /s/ John F. Cassidy

Name: John F. Cassidy  
Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BRWL, LLC

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Manager	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BRCOM INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BRCOM INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BRWSVCS LLC

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BRWSVCS LLC

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer and Manager (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Manager	July 8, 2005

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BCSI INC.  
By: /s/ John F. Cassidy

Name: John F. Cassidy  
Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BCSI INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

CINCINNATI BELL ANY DISTANCE INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

CINCINNATI BELL ANY DISTANCE INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

BCSIVA INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

BCSIVA INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

IXC BUSINESS SERVICES, LLC

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

IXC BUSINESS SERVICES, LLC

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Manager	July 8, 2005

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Cincinnati, State of Ohio on July 8, 2005.

IXC INTERNET SERVICES, INC.

By: /s/ John F. Cassidy

Name: John F. Cassidy

Title: President and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints John F. Cassidy, Christopher J. Wilson and Brian A. Ross and each of them, his or her true and lawful attorney-in-fact and agent, with full power and substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, agent, or his or her substitute may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

IXC INTERNET SERVICES, INC.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ John F. Cassidy John F. Cassidy	President and Chief Executive Officer (Principal Executive Officer)	July 8, 2005
/s/ Brian A. Ross Brian A. Ross	Chief Financial Officer (Principal Financial Officer)	July 8, 2005
/s/ Kurt A. Freyberger Kurt A. Freyberger	Vice President and Controller (Principal Accounting Officer)	July 8, 2005
/s/ Shane Brown Shane Brown	Director	July 8, 2005



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**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description of Documents</b>
3.1(a)	Amended Articles of Incorporation of Cincinnati Bell Inc. (incorporated by reference to Exhibit 3.1(a) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-104557) filed July 17, 2003).
3.1(b)	Amended Regulations of Cincinnati Bell Inc. (incorporated by reference to Exhibit 3.2 of Cincinnati Bell Inc. s Registration Statement on Form S-8 (File No. 333-28381) filed June 3, 1997).
4.1(a)	Rights Agreement dated as of April 29, 1997, between Broadwing and The Fifth Third Bank which includes the form of Certificate of Amendment to the Amended Articles of Incorporation of the Company as Exhibit A, the form of Rights Certificate as Exhibit B and the Summary of Rights to Purchase Preferred Stock as Exhibit C (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A (File No. 001-08519) filed May 1, 1997).
4.1(b)	Amendment No. 1 to the Rights Agreement dated as of July 20, 1999, between Cincinnati Bell Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A/A (File No. 001-08519) filed August 6, 1999).
4.1(c)	Amendment No. 2 to the Rights Agreement dated as of November 2, 1999, between Cincinnati Bell Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s Registration Statement on Form 8-A/A (File No. 001-08519) filed November 8, 1999).
4.1(d)	Amendment No. 3 to the Rights Agreement dated as of June 10, 2002, between Broadwing Inc. and The Fifth Third Bank (incorporated by reference to Exhibit 1 of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Registration Statement on Form 8-A/A (File No. 001-08519) filed July 2, 2002).
4.2	Indenture dated as of July 1, 1993, between Cincinnati Bell Inc. and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc. s Current Report on Form 8-K filed July 12, 1993).
4.3(a)	Indenture dated as of October 27, 1993, among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc. s Current Report on Form 8-K filed October 27, 1993).
4.3(b)	First Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of October 27, 1993 by and among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(ii)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).

- 4.3(c) Second Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of October 27, 1993 by and among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(ii)(3) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
  - 4.4(a) Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4-A of Cincinnati Bell Inc. s Current Report on Form 8-K filed December 8, 1998).
  - 4.4(b) First Supplemental Indenture dated as of December 31, 2004 to the Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(iii)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
  - 4.4(c) Second Supplemental Indenture dated as of January 10, 2005 to the Indenture dated as of November 30, 1998 among Cincinnati Bell Telephone Company, Cincinnati Bell Inc., as Guarantor, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(iii)(3) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
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<b>Exhibit Number</b>	<b>Description of Documents</b>
4.5(a)	Indenture dated as of March 26, 2003, by and among Broadwing Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(vi) of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Annual Report on Form 10-K for the year ended December 31, 2002).
4.5(b)	First Supplemental Indenture dated as of October 30, 2003 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(vi)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the nine months ended September 30, 2003).
4.5(c)	Second Supplemental Indenture dated as of March 12, 2004 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(vi)(3) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2004).
4.5(d)	Third Supplemental Indenture dated as of August 4, 2004 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4(c)(vi)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2004).
4.5(e)	Fourth Supplemental Indenture dated as of January 31, 2005 to the Indenture dated as of March 26, 2003 by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 2, 2005).
4.6	Warrant Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(vii) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).
4.7	Exchange and Registration Rights Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(viii) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).
4.8	Equity Registration Rights Agreement, dated as of March 26, 2003 by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(ix) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).
4.9(a)	Purchase Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).

- 4.10(b) First Amendment to the Purchase Agreement, dated as of March 26, 2003, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2002).
  - 4.9(c) Second Amendment to the Purchase Agreement, dated as of April 30, 2004, by and among Broadwing Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(x)(3) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2004).
  - 4.9(d) Third Amendment to the Purchase Agreement, dated as of April 30, 2004, by and among Cincinnati Bell Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit 4(c)(viii)(4) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
  - 4.9(e) Fourth Amendment to the Purchase Agreement, dated as of January 31, 2005, by and among Cincinnati Bell Inc., GS Mezzanine Partners II, L.P., GS Mezzanine Partners II Offshore, L.P., and the other purchasers party thereto (incorporated by reference to Exhibit 4(c)(viii)(5) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
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<b>Exhibit Number</b>	<b>Description of Documents</b>
4.10(a)	Indenture dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(xi) of Cincinnati Bell Inc. s Registration Statement on Form S-4/A (File No. 333-104557) filed July 17, 2003).
4.10(b)	First Supplemental Indenture dated as of January 28, 2005 to the Indenture dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 2, 2005).
4.11	Exchange and Registration Rights Agreement, dated as of July 11, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, Credit Suisse First Boston LLC and the other purchasers party thereto (incorporated by reference to Exhibit (4)(c)(xii) of Cincinnati Bell Inc. s Registration Statement on Form S-4/A (File No. 333-104557) filed July 17, 2003).
4.12	Indenture dated as of November 19, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto and The Bank of New York, as Trustee (incorporated by reference to Exhibit (4)(c)(xiii) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-110940) filed December 5, 2003).
4.13	Exchange and Registration Rights Agreement, dated as of November 19, 2003, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4(c)(xiv) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-110940) filed December 5, 2003).
4.14	8 <sup>3</sup> / <sub>8</sub> % Notes Exchange and Registration Rights Agreement, dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4.3 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
4.15	Indenture dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
4.16	7% Notes Exchange and Registration Rights Agreement, dated as of February 16, 2005, by and among Cincinnati Bell Inc., the Guarantors party thereto, and Banc of America Securities LLC, as Representative of the several Purchasers (incorporated by reference to Exhibit 4.2 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
5.1	Opinion of Cravath, Swaine & Moore LLP (filed herewith).
5.2	Opinion of The Law Offices of Thomas W. Bosse, PLLC (filed herewith).
5.3	Opinion of The Magee Law Firm, PLLC (filed herewith).

- 10.1 Credit Agreement dated as of February 16, 2005 by and among Cincinnati Bell Inc., the Guarantors party thereto, Bank of America, N.A. as Administrative Agent, PNC Bank, National Association, as Swingline Lender, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 23, 2005).
- 10.2 Asset Purchase Agreement by and among Broadwing Inc., Cincinnati Bell Directory Inc. and CBD Media, Inc. dated as of February 4, 2002 (incorporated by reference to Exhibit 10(i)(2) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2001).
- 10.3(a) Asset Purchase Agreement by and among Broadwing Communications Services Inc. and the other sellers party thereto and CIII Communications dated as of February 22, 2003 (incorporated by reference to Exhibit (99)(i) of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 28, 2003).
- 10.3(b) Amendment No. 1 to the Asset Purchase Agreement dated as of June 6, 2003 (incorporated by reference to Exhibit (99)(i) of Cincinnati Bell Inc. s Current Report on Form 8-K filed June 13, 2003).
- 10.3(c) Letter Agreement Amendment to the Asset Purchase Agreement (incorporated by reference to Exhibit (10)(i)(A)(3)(iii) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-104557) filed June 23, 2003).
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<b>Exhibit Number</b>	<b>Description of Documents</b>
10.4(a)	Operating Agreement, dated as of December 31, 1998 between AT&T Wireless PCS Inc. and Cincinnati Bell Wireless Company LLC (incorporated by reference to Exhibit (10)(i)(4) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.4(b)	Agreement and Amendment No. 1 to Operating Agreement, dated as of October 16, 2003, between AT&T Wireless PCS LLC and Cincinnati Bell Wireless Holdings LLC (incorporated by reference to Exhibit (10)(i)(4.1) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.4(c)	Agreement and Amendment No. 2 to the Operating Agreement, dated as of August 4, 2004 by and among Cingular Wireless PCS, Cingular Wireless Services, Inc., Cincinnati Bell Wireless Holdings LLC, Cincinnati Bell Inc., Cingular Wireless LLC, and Cincinnati Bell Wireless LLC (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed August 5, 2004).
10.4(d)	Agreement and Amendment No. 3 to Operating Agreement, dated as of February 14, 2005 by and among New Cingular Wireless PCS, New Cingular Wireless Services, Inc., Cincinnati Bell Wireless Holdings LLC, Cincinnati Bell Inc., Cingular Wireless LLC, and Cincinnati Bell Wireless LLC (incorporated by reference to Exhibit 10.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 15, 2005).
10.5	Short Term Incentive Plan of Broadwing Inc., as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).
10.6	Broadwing Inc. Deferred Compensation Plan for Outside Directors, as amended and restated effective July 24, 2002 (incorporated by reference to Exhibit (10)(iii)(A)(2) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).
10.7	Broadwing Inc. Pension Program, as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).
10.8	Cincinnati Bell Inc. Pension Program, as amended and restated effective March 3, 1997 (incorporated by reference to Exhibit (10)(iii)(A)(3)(ii) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1997).
10.9	Broadwing Inc. Executive Deferred Compensation Plan, as amended and restated effective January 1, 2002 (incorporated by reference to Exhibit (10)(iii)(A)(4) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).
10.10	Broadwing Inc. 1997 Long Term Incentive Plan, as amended and restated effective July 24, 2000 (incorporated by reference to Exhibit (10)(iii)(A)(1) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the six months ended June 30, 2000).

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- 10.11 Broadwing Inc. 1997 Stock Option Plan for Non-Employee Directors, as revised and restated effective January 1, 2001 (incorporated by reference to Exhibit (10)(iii)(A)(6) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the three months ended March 31, 2003).
- 10.12 Cincinnati Bell Inc. 1989 Stock Option Plan (incorporated by reference to Exhibit (10)(iii)(A)(14) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1989).
- 10.13(a) Employment Agreement effective December 4, 2001 between Broadwing Inc. and Michael W. Callaghan (incorporated by reference to Exhibit (10)(iii)(A)(10) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2001).
- 10.13(b) Amendment to Employment Agreement effective February 3, 2003 between Broadwing Inc. and Michael W. Callaghan. (incorporated by reference to Exhibit 99(i) of Cincinnati Bell Inc. s (f/k/a Broadwing Inc.) Current Report on Form 8-K filed on February 6, 2003).
- 10.13(c) Amendment No. 2 to Employment Agreement effective October 22, 2003 between Cincinnati Bell Inc. and Michael W. Callaghan. (incorporated by reference to Exhibit (10)(iii)(A)(9.2) of Cincinnati Bell Inc. s Registration Statement on Form S-4 (File No. 333-111059) filed December 10, 2003).
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<b>Exhibit Number</b>	<b>Description of Documents</b>
10.14(a)	Employment Agreement effective January 1, 1999, between Cincinnati Bell Inc. and John F. Cassidy (incorporated by reference to Exhibit (10)(iii)(A)(8) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 1999).
10.14(b)	Amendment to Employment Agreement effective September 20, 2002, between Broadwing Inc. and John F. Cassidy (incorporated by reference to Exhibit (10)(iii)(A)(11)(1) of Cincinnati Bell Inc. s Quarterly Report on Form 10-Q for the nine months ended September 30, 2002).
10.15	Employment Agreement effective January 8, 2004 between Cincinnati Bell Inc. and Christopher J. Wilson (incorporated by reference to Exhibit (10)(iii)(A)(13) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.16	Employment Agreement effective June 26, 2000 between Cincinnati Bell Inc. and Brian G. Keating (incorporated by reference to Exhibit (10)(iii)(A)(14) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.17	Employment Agreement effective July 11, 2005 between Cincinnati Bell Inc. and Rodney D. Dir (incorporated by reference to Exhibit 10 of Cincinnati Bell Inc. s Current Report on Form 8-K filed June 30, 2005).
10.18	Code of Ethics for Senior Financial Officers (incorporated by reference to Exhibit (10)(iii)(A)(15) of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2003).
10.19	Summary of Director Compensation for 2005 (incorporated by reference to Item 1.01 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 3, 2005).
10.20	Summary of Executive Compensation (to the extent determined) for 2005 (incorporated by reference to Item 1.01 of Cincinnati Bell Inc. s Current Report on Form 8-K filed February 3, 2005).
12.1	Statement regarding computations of ratio of earnings to fixed charges (filed herewith).
16.1	Letter regarding change in certifying accountant (incorporated by reference to Exhibit 16.1 of Cincinnati Bell Inc. s Current Report on Form 8-K filed March 24, 2005).
21.1	List of Subsidiaries of the Registrant (incorporated by reference to Exhibit 21 of Cincinnati Bell Inc. s Annual Report on Form 10-K for the year ended December 31, 2004).
23.1	Consent of Cravath, Swaine & Moore LLP (included in Exhibit 5.1).
23.2	Consent of The Law Offices of Thomas W. Bosse, PLLC (included in Exhibit 5.2).
23.3	Consent of The Magee Law Firm, PLLC (included in Exhibit 5.3).

- 23.4 Consent of PricewaterhouseCoopers LLP (filed herewith).
- 24.1 Powers of Attorney (included in the signature pages of this registration statement).
- 25.1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of The Bank of New York, as Trustee, on Form T-1, relating to the 7% Senior Notes due 2015 (filed herewith).
- 25.2 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of The Bank of New York, as Trustee, on Form T-1, relating to the 8<sup>3</sup>/<sub>8</sub>% Senior Subordinated Notes due 2014 (filed herewith).
- 99.1 Form of Letter of Transmittal (filed herewith).
- 99.2 Form of Notice of Guaranteed Delivery (filed herewith).
- 99.3 Form of Notice of Withdrawal of Tender (filed herewith).
- 99.4 Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (filed herewith).
- 99.5 Form of Letter to Clients (filed herewith).
- 99.6 Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (filed herewith).